

What Sales Forces Need to Win



**Multiple Products,
Multiple Product
Managers**

**How to Make
Selling Complex
Solutions Simple**

**Ten Things Product
Managers Should
Know About Sales**

**Using Force Field
Analysis to Listen
to Customers**

Measuring Marketing



All too frequently I hear from a product manager that his CEO just doesn't "get it." The value of Sales and Development are self-evident.

They both produce tangible results. When it comes to marketing, the effects appear to be nebulous at best. In fact, we see a lot of companies try to quantify the value of marketing with metrics like leads generated or market awareness scores. That is better than nothing, but unless these metrics are tracked to sales, you are still left guessing.

Recently, I was able to demonstrate the value of marketing in a very short period of time, using eBay®. In preparing to sell an unusual piece of heavy construction equipment, I researched my market. I knew the range of prices for this item was between \$8,000 and \$10,000. I decided I would sell my item for \$9,500.

When I checked eBay to see if any were already listed, I was surprised to see an identical unit currently available with a minimum bid of \$9,500. It was one year newer than mine, and in better overall shape. It had been listed on eBay for several days with no bids.

So, here was the challenge. How do I out-market this competitor who has a better product, which wasn't selling, and still get the same price? I looked at the competitor's description and found my opportunity. Although technically correct, the description was boring. All the seller talked about was specifications. His marketing message pretty much consisted of height, width, range, and lots of features.

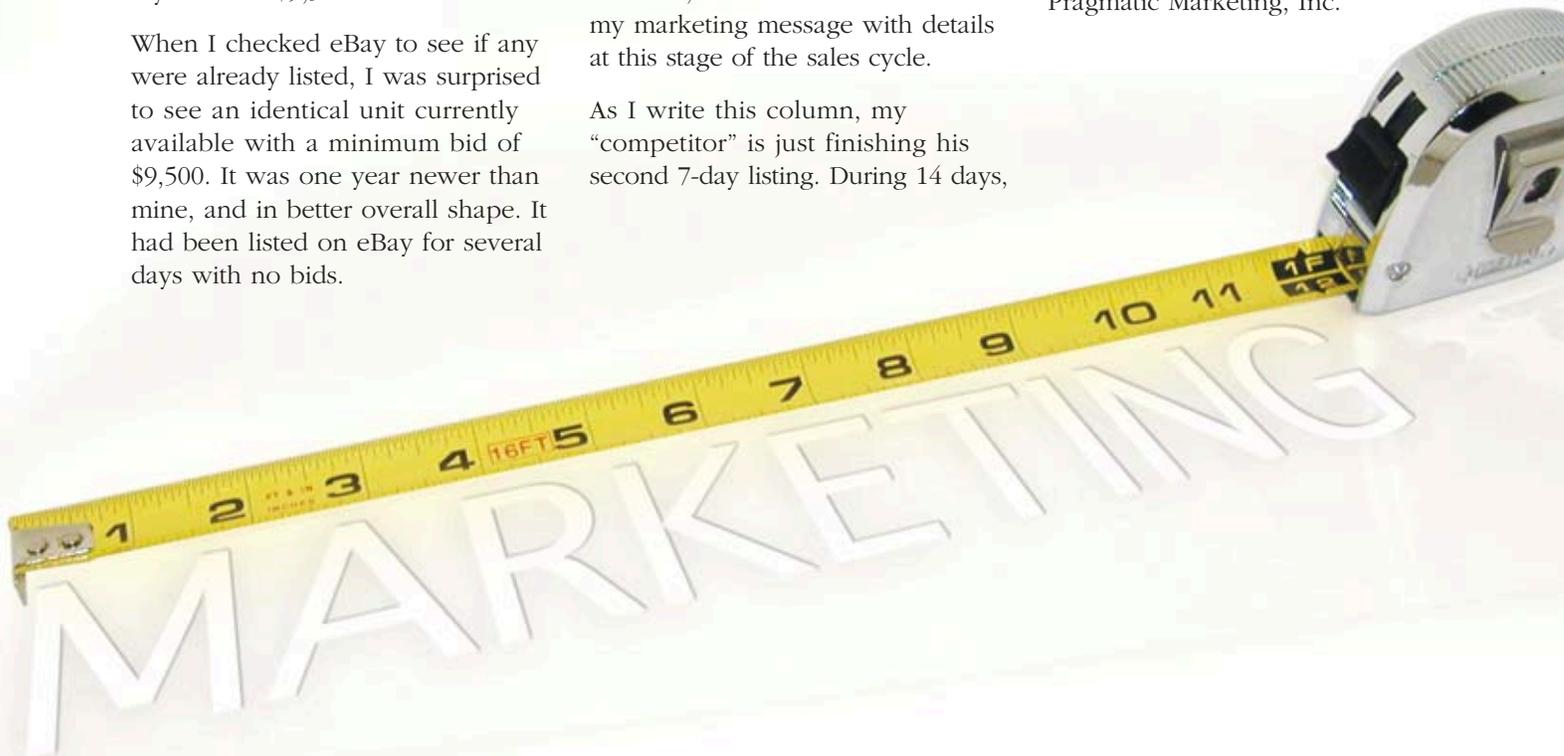
In contrast, I wrote a positioning statement that spoke in first person about the problems this equipment solves. I described how you could tow this equipment to your job site and be up and running in minutes. I emphasized why my unit was easier to maintain than more conventional units. Instead of talking about specs, I just included a link to the manufacturer's specification page. At some point, the buyer may want that info, but I don't want to clutter my marketing message with details at this stage of the sales cycle.

As I write this column, my "competitor" is just finishing his second 7-day listing. During 14 days,

he had no bids for his \$9,500 item with no reserve. During my listing, I had 377 hits, 15 people added it to their watch list, and three bidders. I sold the equipment in just over four days and for my target price of \$9,500.

Can the effects of marketing be documented? You bet! Prove your marketing approach against a known entity (either a competitor or even yourself). With the internet, you can get results at light speed. Once you have tangible results, you will need to promote your findings within the company so the skeptics will "get it."

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Pragmatic Marketing, Inc. was formed in 1993 to provide product marketing training and consulting to high-tech firms by focusing on strategic, market-driven techniques. Pragmatic's training courses emphasize business-oriented definition of market problems, resulting in reduced risk and faster product delivery and adoption. Since its inception, Pragmatic Marketing has successfully graduated over 25,000 product managers and marketing professionals. For more information, visit www.PragmaticMarketing.com or call 480-515-1411.

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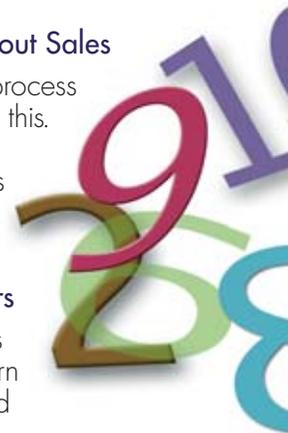
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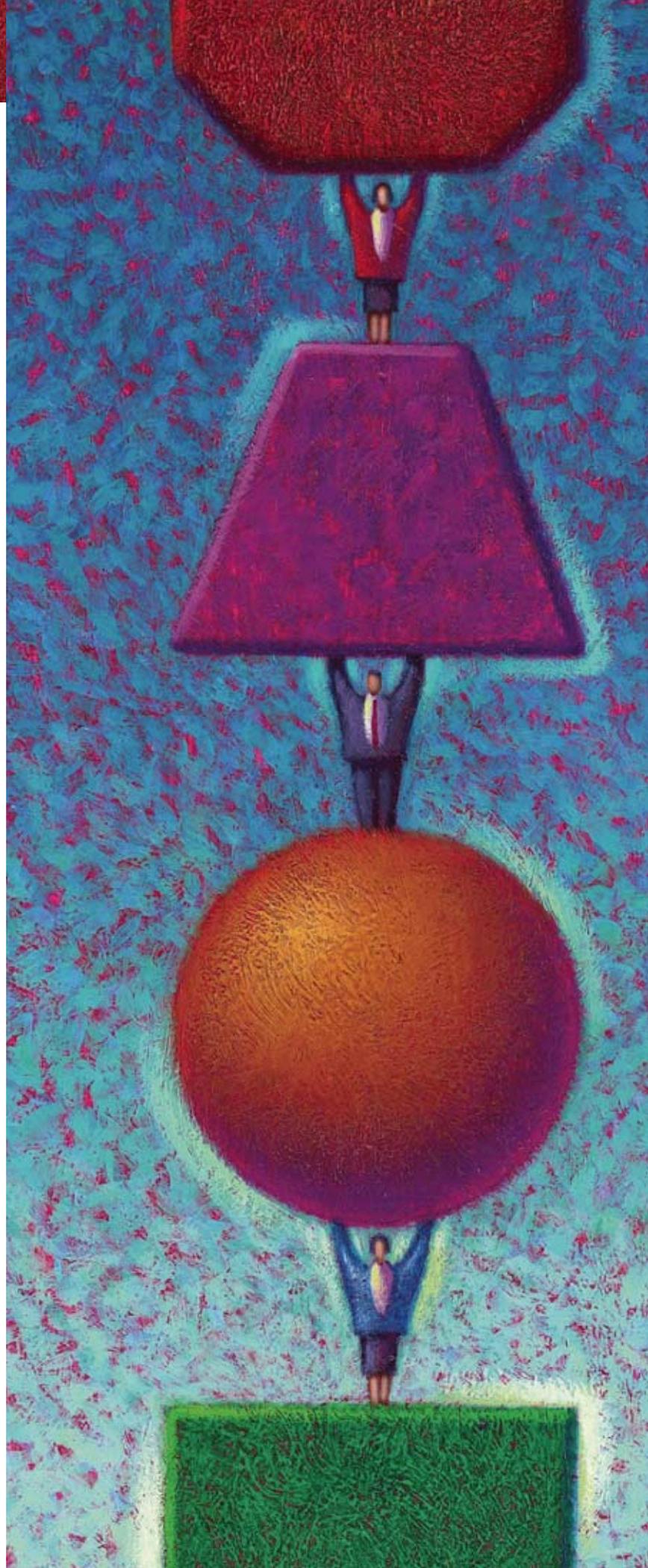
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Multiple Products, Multiple Product Managers

By Steve Johnson

Product management covers a wide array of activities from market analysis to on-going sales support. In a small company, product managers often act as a product release expeditor, ensuring that all the scheduled work has been done and that nothing has fallen through the cracks. As a company gets larger, product management takes on additional strategic duties previously performed by the senior executives, such as market analysis, writing business requirements, and defining positioning. When a company expands to multiple products and product families, firms must integrate a broad set of skills among multiple product management professionals. How does a company address the challenges of multiple products and product managers?



Product management is all about scalability. As products and companies grow, so do the time demands; one person cannot do everything. So one product manager becomes two or three, each attempting to do whatever is necessary for product success. The more people we add, the more we find two people doing some things and no one doing others. Communications problems are the result of unclear spheres of responsibility. Let's explore some techniques for ensuring clear communications when there are multiple products and multiple product managers.

Requirements reviews

Many companies are now running requirement review meetings, achieving the same benefits as developers' design review meetings. Requirement reviews can be implemented instantly without impact on the current company organization. Bringing together product managers from across the company puts an incredibly diverse set of skills in one room. Are the requirements well-written? Have they clearly articulated the problem (and not a proposed feature)? Can they be verified? Are there cross-product opportunities? Requirements reviews provide a forum for integrating products and features by leveraging the skills of all product managers.

The product roadmap is a critical planning tool that communicates the deliverables of the suite and of the products. By reviewing product requirements with the group, this forum intercepts many of the miscommunications that occur within a product team and across product lines. Read more about

To manage a large product line, product managers are assigned to each major product in the family with an additional product manager ensuring consistency between the various products.

product roadmaps online at <http://www.productmarketing.com/magazine/2/2/0312sj.htm>

Product management triad

For large products or product lines, the span of activities quickly become more than one person can realistically perform. Requests for product management attention exceeds the time available for one person. But when there is more demand than supply, product managers usually spend their time in their personal comfort zone. A sales-oriented product manager will support the sales channel with better presentations and sales tools, while a development-oriented product manager will spend time with the product features. In this scenario, companies frequently assign multiple product managers to a single product. An ideal organization is one that separates the roles of product management and product marketing. Often called inbound and outbound marketing, *product management* focuses on market requirements and working closely with Development, while *product marketing* defines a go-to-market strategy and works closely with Marcom and Sales. These two categories of activities usually involve vastly different skills, so it's logical to split the job in two.

Many companies go further to define a third, business-oriented, strategic role staffed by a senior person. Called the product management triad, this

triumvirate works as a team to meet the product needs in the areas of business, technology, and marketing. Read more about the product management triad online at <http://www.productmarketing.com/magazine/1/2/07sj.htm>

The Triad works best within a single department. There is an incredible temptation to move the technical product manager (TPM) into Development and the product marketing manager (PPM) into Marketing. But this usually fails. The TPM becomes a gofer for Development; the PPM becomes the company "demo boy." By reporting to a senior manager responsible for strategy, these three are bonded together with a common goal. A strategic view of the product family is critical in large companies. The product management triad encourages strategic thinking in concert with product planning and launch.

Multiple product managers in a product suite

Large product families have many products and features that require product management attention, particularly in identifying the links and cross-product opportunities. To manage a large product line, product managers are assigned to each major product in the family with an additional product manager ensuring consistency between the various products.



Imagine an enterprise implementation with a server-based architecture, various client components, and implementation services. Coordinating these components into a coherent release plan is incredibly challenging. For example, an enterprise network fault management system has server-side monitoring and response mechanism running on a third-party database. There are various clients including an error-correlation display, various map views of the network, and an operator console showing outstanding faults pending correction. Installation and implementation services are a critical aspect of the offering. Each of these must be defined, built, and launched. Releasing these as a single coordinating offering is a nightmare.

In a simplified example, consider how multiple product managers might approach Microsoft® Office, a suite most of us are familiar with. Assign a product manager for the Office family architecture including APIs, common look-and-feel, shared features such as dictionaries and themes, and various cross-product opportunities. Then add a product manager each for Word, Excel, PowerPoint®, Access, Outlook®, Sharepoint™, and any other products in the suite. Each individual product manager focuses only on the needs of his product while the suite product manager reviews the requirements for each of the products. PowerPoint needs to have tables; so does FrontPage®—the suite product manager realizes that she already has tables... in Excel. So she requires a grid-tool API from the Excel team and mandates that any team requiring tables in their product shall invoke the Excel API. This ensures consistency across products, is better for clients, and is better for the Development teams, allowing them to focus their energies on new functionality. There is no need to reinvent a feature that already exists.

Frequently, companies attempt to create architectural services and also implement those services in the client in the same release. This is terribly difficult and beyond what most companies can realistically achieve. A more reliable technique is to employ frequent, staggered releases. Architecture features in release 1 are implemented in client components in release 1.1. In other words, complete the basement before you build a house on top of it.

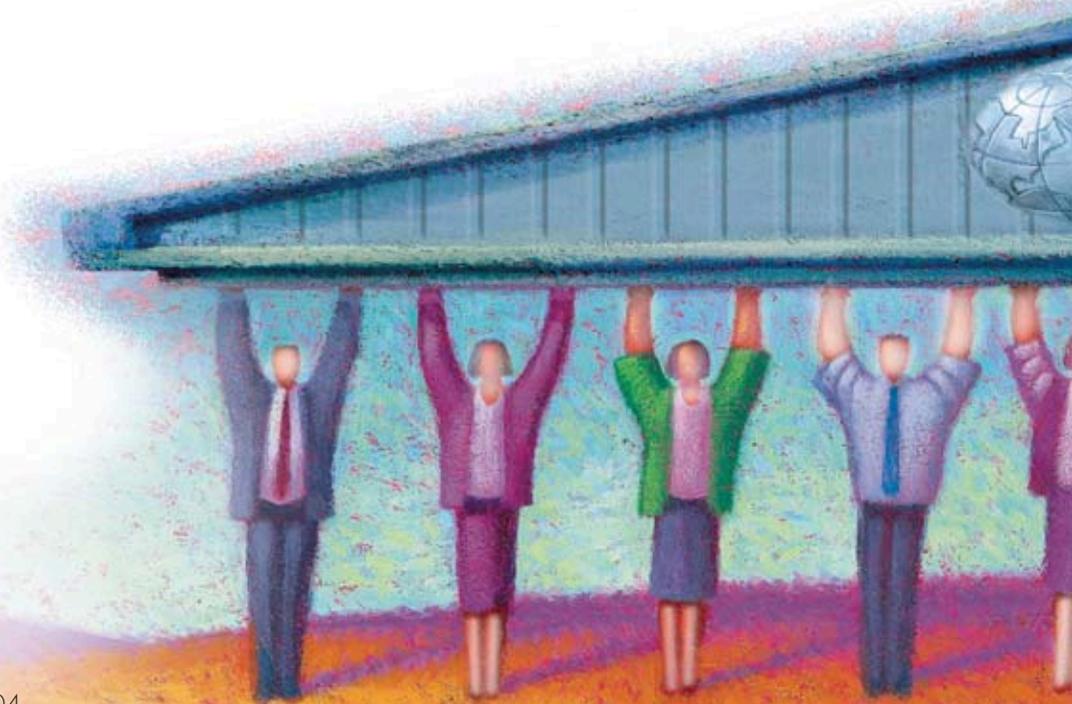
In the Office example, the Excel team completes the grid API in one release; the other products use that API in their next release. This way, the API doesn't become a critical-path for a product that relies upon it. Of course, in the ideal, theoretical world, the API would be available as planned and could be incorporated into the current project—but this rarely happens in real life.

A product roadmap for the family of products provides a simple view of all these intricacies. Release schedules for architectural services are shown in the roadmap and can be incorporated into the distinct products that need those services. The roadmap explains the need for staggered releases, each release of one product building on the prior one of another.

Industry-focused product management

How can one product be marketed to multiple industries? After all, the features needed for automotive manufacturing may be different than those needed by financial services. In this scenario, industry product managers gather industry-specific requirements for all products in a suite and deliver them to the suite product manager.

An industry product manager must know the requirements of the industry. Domain knowledge in the industry allows the product manager to convert feature requests to the root problem. Domain knowledge is also necessary to define a go-to-market strategy. Typically, the industry manager performs both inbound and outbound functions although larger companies split these roles into the same basic product management triad described earlier. The industry manager is responsible for identifying industry problems in a Market Requirements Document (MRD). The industry manager also modifies the product positioning to make it resonate with the industry and defines a go-to-market strategy based on the positioning.



Where some companies have defined industry-specific versions of their products, others prefer to deliver industry-specific releases to their markets. An industry-specific release delivers a necessary feature set designed for an industry. Release 2.1 delivers the features needed by automotive manufacturing; release 2.2 delivers the features needed by financial services. Again, a product roadmap is the tool to use showing delivery of features by industry.

International product management

Aren't product requirements and market messaging the same for every country? No! Just as some verticals need a feature that others don't, different countries have different requirements and different go-to-market strategies. A company serious about selling worldwide, has product management and marketing resources in each major geographic market. To do it right, each country needs professional marketers—not the office admin, a good salesperson, or the local general manager. For companies with an international strategy (and shouldn't that be all companies?), local product managers

gather requirements and deliver them in the form of an MRD just as the industry product managers do. The challenge of bringing all these together in a coherent release falls to the product suite manager.

How many product managers?

The Pragmatic Marketing® Framework serves as a vehicle for defining product management. Review these activities by product, by industry, and by geographic market. Does your company need product management attention in all of these areas? If so, who will be responsible? And how many hours per week should be allocated?

The typical product manager has worldwide responsibility for three products. This can't possibly be a successful allocation.

Does it sound like we need more product management? Here's how to find out.

For each product management activity, estimate the hours per week that the product manager should spend by product, by industry, by geographic market. Add it up. Divide by the number of hours in a typical week. Voila! That's the number of product managers you need. The typical U.S.-based product manager works 67 hours per week. For planning

purposes, 40 hours/week is a more realistic estimation amount, leaving 27 hours per week for all the unplanned activities.

After staffing to the needs of the product, industry, and country, a product roadmap ensures that all product teams are in sync. The product roadmap is a critical planning tool that communicates the deliverables of the suite and of the products.

Large products have large needs. Multiple product managers ensure that all products, industries, and markets get the corporate attention that they deserve, that Development understands the product requirements, and that Marketing has coherent positioning. Multiple product managers need communication tools, such as requirement reviews and product roadmaps, to ensure that all teams are in sync, so that we can deliver integrated products that people want to buy.

pm.c

Steve Johnson is an expert in technology product management. He works for Pragmatic Marketing® as an instructor for the top-rated courses Practical Product Management™ and Requirements That Work™. Steve is also a frequent presenter for various technology marketing forums throughout the United States and Europe, author of many articles on technology product management, and is the webmaster of <http://productmarketing.com>—a website devoted to technology product management. Contact Steve at sjohnson@PragmaticMarketing.com

By Stephanie Tilton

Sales forces expect sales guides to arm them with information they need to confidently sell your company's solution, including ways to handle the competition. Yet some sales guides gloss over the competition, or provide weak competitive positioning. This not only harms chances of closing deals, but also undermines the marketing group's credibility with the sales force—sales representatives will think you don't understand the competition or the sales process.

So give the sales force what they need to win. Following are six field-tested, salespeople-approved best practices to help you put competitive intelligence to work for your sales force.

1. Tap "insider" sources of competitive intelligence

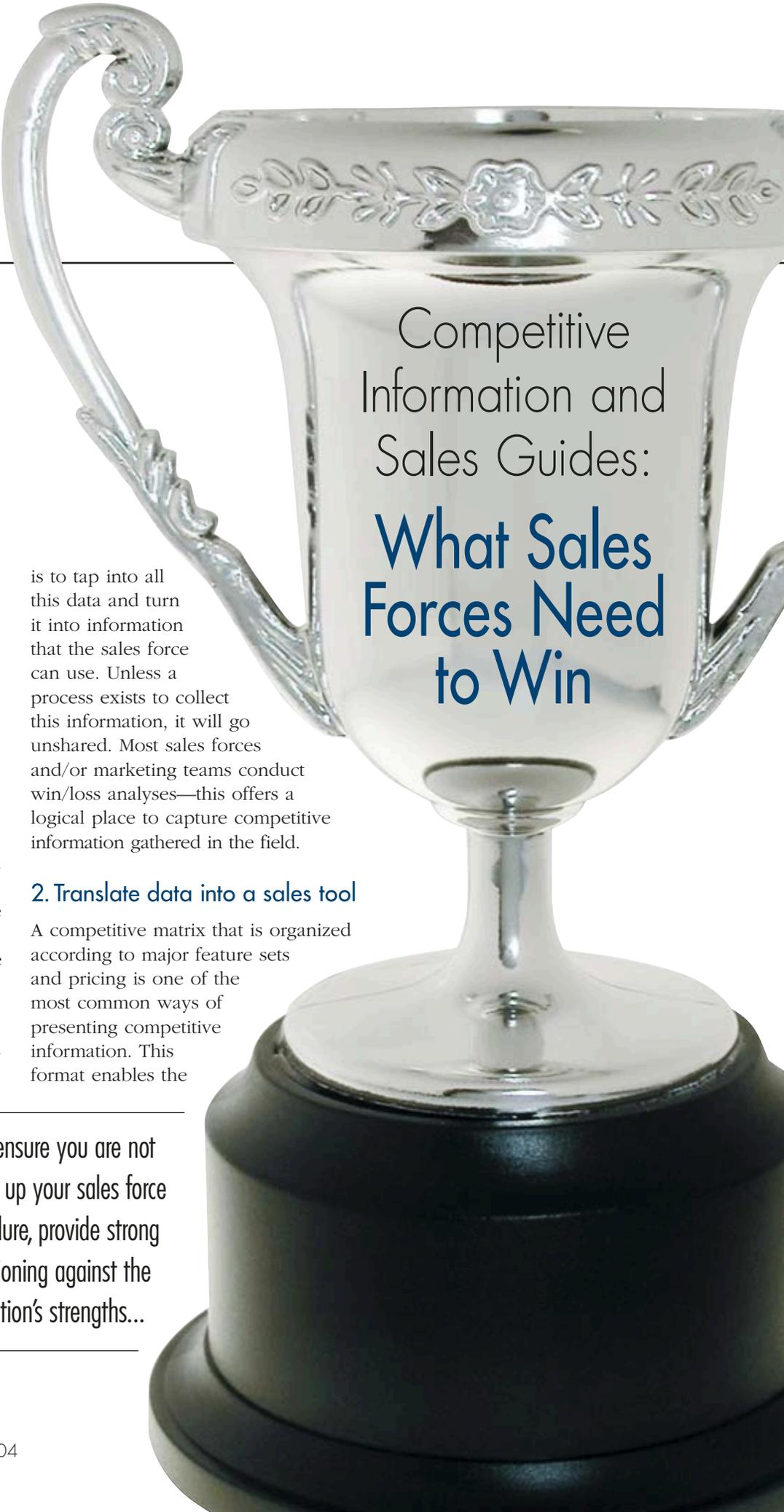
Much of the competitive data you need is right at your fingertips. Your sales force is a valuable source of competitive information. After all, they face the competition daily and know how these companies are positioned against your offering. If you are selling a technical solution, don't overlook your technical pre-sales engineers. They have probably gained significant insight into the strengths (and flaws) of the competition based on feedback from prospects during technical demonstrations. The key

is to tap into all this data and turn it into information that the sales force can use. Unless a process exists to collect this information, it will go unshared. Most sales forces and/or marketing teams conduct win/loss analyses—this offers a logical place to capture competitive information gathered in the field.

2. Translate data into a sales tool

A competitive matrix that is organized according to major feature sets and pricing is one of the most common ways of presenting competitive information. This format enables the

...to ensure you are not setting up your sales force for failure, provide strong positioning against the competition's strengths...



Competitive
Information and
Sales Guides:
**What Sales
Forces Need
to Win**



sales force, at a glance, to understand how your solution compares to the competition's offering.

These comparisons succeed in providing bite-sized chunks of easily understood information but often lack sufficient context and thoroughness. Specifically, comparison matrices typically fall short of providing positioning statements that the salesperson can either use in a conversation or in written correspondence. Therefore, provide both a matrix and a set of "silver bullets" that the sales representative can leverage. These concise summaries should highlight the main positioning points, provide reasons why the competition's approach is inadequate, and finish with strong statements about the unique business value that your solution provides. Whenever possible, support your statements with third-party validation. And remember, to ensure you are not setting up your sales force for failure, provide strong positioning against the competition's strengths. Your sales people are quite capable of exploiting the competition's weaknesses; where they most need your help is in undermining the competition's strengths.

Your sales force
is a valuable
source of competitive
information.

Following is a "silver bullet" for a fictional masking tape vendor:

Selective "sticking."
Company XYZ
touts the
"unparalleled
stickiness" of its

tape as the main reason you should choose their product. What they don't tell you is that three out of every five of their customers require surgery to remove the tape from their fingers. Our tape, on the other hand, uses a specially formulated, patent-pending compound that differentiates between skin and all other materials, to ensure that the tape sticks to everything but you.

3. Think big, just like your prospects

Some competitive positioning fails to provide a "big picture" perspective of the competition. Remember that competitive positioning is meant to help sales people overcome objections while they guide prospects to choose your company's solution over others. Prospects are not only assessing the product or service being offered, but also the company with whom they will be doing business. Details about a competitor's financial health, industry standing, and customer support policies

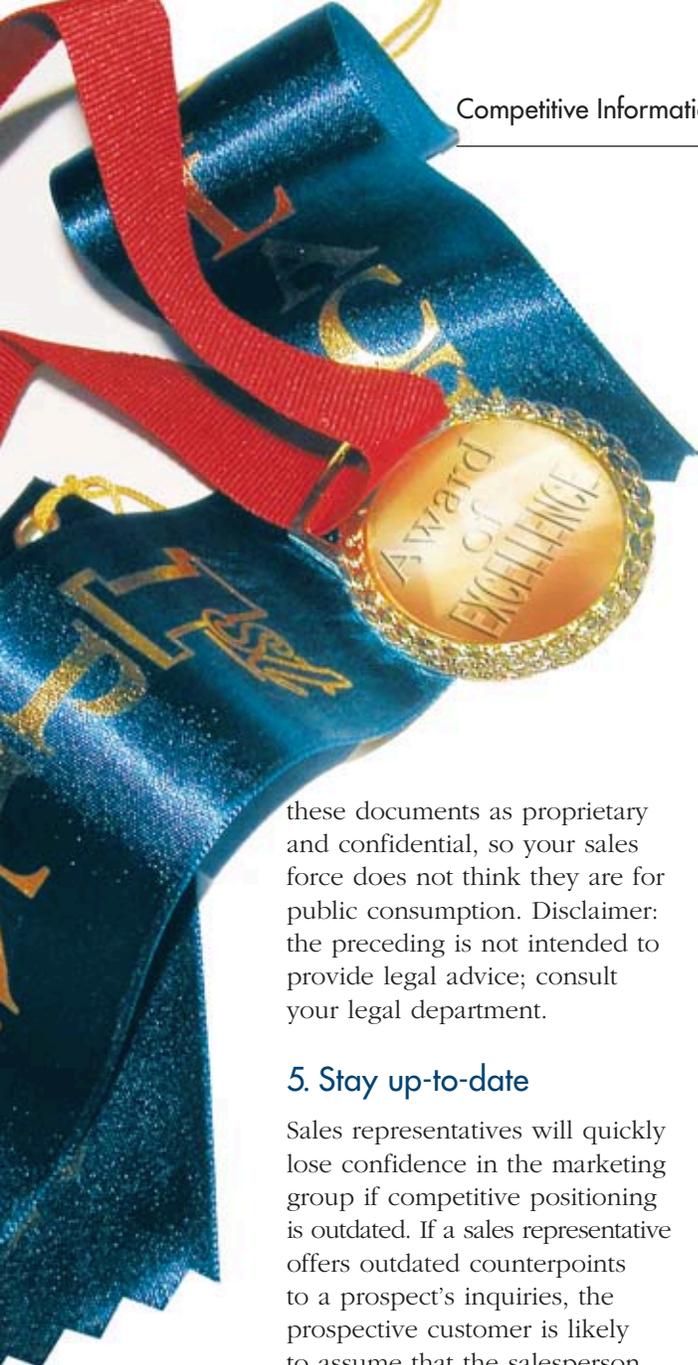
Sales representatives
will quickly lose confidence
in the marketing group
if competitive positioning
is outdated.

and track record are all important points that your sales force should be able to address. Providing such information in a brief competitive profile is a valuable tool that both sales people and key executives can utilize. (And don't forget to provide details about how your own company stacks up in these areas.)

4. Keep it legal

Before publishing any competitive information, run it by your legal department. Nothing sours a deal faster than being hit by a lawsuit for false statements about the competition. Be prepared to provide your legal department with sources for all claims about the competition. You may need to revise wording a few times before the legal department approves the competitive documents, so build enough time into your schedule to allow for this. Your legal department may also require you to include a disclaimer on the documents, stating that your company believes all information is accurate, but that your company will not be held liable if it is found to be otherwise. This may help indemnify your company should the document fall into the competition's hands. At the same time, clearly mark





these documents as proprietary and confidential, so your sales force does not think they are for public consumption. Disclaimer: the preceding is not intended to provide legal advice; consult your legal department.

5. Stay up-to-date

Sales representatives will quickly lose confidence in the marketing group if competitive positioning is outdated. If a sales representative offers outdated counterpoints to a prospect's inquiries, the prospective customer is likely to assume that the salesperson (and by inference, the company represented) is not in touch with the market.

Keeping competitive positioning up-to-date requires a commitment and well-considered processes. Your company's intranet provides a centralized repository that is easily accessible and can help ensure that only one version of the document is available at any given time. By including the date of creation on each competitive tool, your sales reps can easily assess whether or not they have the most recent document—just make sure the document doesn't automatically show the date the document is opened. You may have to complement this with a table that shows the latest versions of all competitive tools.

6. Market your intelligence

Once you have developed comprehensive competitive intelligence tools, ensure that sales representatives and other interested parties are aware of them. This can be accomplished by sending out an email message to announce major updates. Some companies highlight new intranet content with a home page banner ad—if this mechanism is available to you, take advantage of it.

Ambitious companies can develop a competitive update email newsletter to be sent every week, bi-weekly, or monthly, as needed. A newsletter conveniently captures all relevant content for a certain

period, and can provide brief summaries with links to further information on the intranet. Some competitor news needs to be acted upon quickly, and Marketing can supplement the competitive update newsletter with an email blast that provides details on timely events while also guiding the sales force on a sanctioned response. Your sales force will appreciate your ongoing involvement, and your marketing department can ensure that all sales people use consistent messaging.

Competitive positioning is an integral part of any successful sales guide. Collecting and disseminating the information in a timely fashion is key to staying a step ahead of the competition. At the same time, synthesizing the data and presenting it in a manner that the sales force finds useful is no small challenge. If you outsource the development of your sales guides and/or competitive tools, make sure the vendor has a solid background in competitive positioning. Writers with a strong understanding of competitive analysis can quickly distill a large amount of information down to its essence, while also providing concise, compelling statements that help your sales force successfully compete.



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Ask the Expert

“I’ve been a sales engineer for the last seven years and recently accepted a position as a product manager. While I’m somewhat familiar with the role of a product manager—having worked alongside them for so long—no one is able to provide me with a ‘job description’ of a product manager. Does such a thing exist? I’m primarily interested in knowing the high-level key responsibilities.”

As product manager, you will guide a team that is charged with a product line contribution as a business unit. This extends from increasing the profitability of existing products to developing new products for the company. You will build products from existing ideas, and help to develop new ideas based on your industry experience and your contact with customers and prospects. You must possess a unique blend of business and technical savvy; a big-picture vision, and the drive to make that vision a reality. You must enjoy spending time in the market to understand their problems, and find innovative solutions for the broader market.

You must be able to communicate with all areas of the company. You will work with an engineering counterpart to define product release requirements. You will work with Marketing Communications to define the go-to-market strategy, helping them understand the product positioning, key benefits, and target customer. You will also serve as the internal and external evangelist for your product offering, occasionally working with the sales channel and key customers.

A product manager’s key role is strategic, not tactical. The other organizations will support your strategic efforts; you won’t be supporting their tactical tasks.

Key responsibilities

- Managing the entire product line life-cycle from strategic planning to tactical activities.
- Specifying market requirements for current and future products by conducting market research supported by on-going visits to customers and non-customers.
- Driving a solution set across development teams (primarily Development/Engineering, and Marketing Communications) through market requirements, product contract, and positioning.
- Developing and implementing a company-wide go-to-market plan, working with all departments to execute.
- Analyzing potential partner relationships for the product.

Requirements

- 3+ years of software marketing/product management experience.
- Knowledgeable in technology.
- Computer Science or Engineering degree or work experience a strong plus.
- This position requires travel (25%) to customer and non-customer sites in North America and Europe.



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email your questions to ask@productmarketing.com



Ten Things Product Managers

This article discusses ten things that product managers (PM) need to know about sales, the sales process, and the role of the sales rep. PMs routinely support the sales process but many times lack enough knowledge to do this.

“To be successful, product managers need to be intimately familiar with how their products are sold. This is why we encourage our PM’s to go out to the field with our sales reps, and train them to be able to backfill an SE on a last-minute basis.”

— Tien Tzuo, SVP Marketing,
SalesForce.com

1. What is a sales cycle?

To better support the sales force, PMs need a good understanding of the sales cycle. The following is a basic description of the stages in a sales cycle:

Stage 1. Prospecting

The process where prospective customers are identified. This can be achieved with market research, mailings, during tradeshows, via the website, etc.

Stage 2. Qualification

The stage where it is decided whether a sales opportunity exists with a specific prospect. To be qualified, several questions need to be answered:

- a. Is there a basic fit between the prospect’s needs and the product offering?
- b. Is the prospect looking to purchase a solution within a relevant time frame?
- c. Is the person who showed interest in the product really looking for a solution? Does he have a budget and authorization to make a purchase?

Based on the answers to these questions, the sales cycle proceeds, shifts focus within the prospect’s organization, or the salesperson moves on.

Should Know About Sales By Daniel Shefer

Stage 3. Discovery

The sales rep collects information about the prospect:

- a. The prospect's pain. The pain is what drives the prospect to buy.
- b. The political structure of the customer's organization—who decides, who is buying, who has budget, what is the buying process, what are these people's agendas, etc.

Stage 4. Solution

The sales rep shows the prospect how the product will solve the prospect's pain. This is done with a demo, a pilot and/or a joint visit to a reference customer, etc.

Stage 5. Implementation

Execution of the sale agreements and hand-off of the solution to the client.

Stage 6. Service, support and upsell

These actions are not necessarily managed by the sales rep but they are critical to customer's satisfaction and willingness to move to the next stage.

Stage 7. References and referrals

Sometimes, these can be more important than the revenue itself. During this stage, the rep gets referrals to other prospects and obtains the customer's approval to be a reference.

Tip

The sales cycle is not complete until the customer goes through all seven stages.

2. What is a complex sale?

Most enterprise B2B systems sales are known as "complex" sales. A complex sales is one where:

- There are multiple people involved in the buying process. Some call this "buying by committee." Selling to multiple people—each with their own agenda—can be very difficult.
- The purchase is part of budgets set aside for this purpose. Approval of the purchase by a committee or a "higher authority" is usually a pre-requisite to placing an order.
- There is a lengthy period of time from the initial interest until a decision to purchase is made.
- It's not uncommon for a complex sale to take 9-18 months.

Case in Point

A fault management company discovered a "camelback" buying cycle involving a big time investment in initial stages, followed by a huge lull waiting for budget approval, followed by a final time surge as the contract details were finalized.

3. Who's your champion?

One of the most important tasks for the sales rep is to ascertain who will champion the project, who will influence the buying decision and who will make the final decision. These functions are not necessarily carried out by the same person.

- The champion is the person who is aware of the pain and believes in the product. This person shepherds the sales rep through the political structure of the company and the purchasing process. The more political strength the champion has, the easier it will be to sell.
- The decision maker is the person authorized to make the purchasing decision. This person must have a discernable pain that they want to resolve.
- The user is the person who will be using the product. If they are not the buyer, then they usually can influence the buyer.
- The purchaser works for the purchasing department and acts as a gatekeeper protecting the company's interests by verifying that the price and terms are reasonable. The purchaser's approach has a big impact on the sales process. Purchasers can be facilitators when they feel positively about the process and outright obstructive if they don't.

To close a sale, the sales rep has to engage with all of these stakeholders and have a solution that takes into account their concerns.

Food for thought

As a PM, you are probably excited about your product. Does your prospect's decision maker have a pain to justify buying your product?

4. Sales reps need good personal skills

Complex sales involve multiple stakeholders in the buying organization. These usually include the champion, the decision maker and someone from Purchasing. Sometimes senior management is involved, as well. Each of these stakeholders has a different and sometimes conflicting agenda. It's the sales rep's job to identify the decision-making process, know the players involved in it, know how to influence the decision process towards a decision and satisfy the needs of each of those involved. This requires great personal skills. It's not about knowing the features.

"The real job of sales is to get involved in the buyer's processes to help them come to an informed decision."

— Don France, Principal
SalesNavigation

5. It's all about relationships

Customers buy from people they trust. The larger the risk involved in the purchase, the greater the trust that needs to exist between the prospect and the sales rep. The larger the risk, the more it becomes trust and credibility rather than features.

Sales reps need to know the product only as well as is required to gain the prospect's trust. Sales reps can get away with a lack of detailed product knowledge and still meet quota. An exception to this rule may be technical sales where domain expertise (regarding the technology) is critical to the success of the sale because this expertise is needed to instill trust with the prospect.

Tip

Accept that knowledge of your product's features is not always critical to the success of your sales reps.

6. The customer is less interested in your product than you think

Customers are interested in what your product does for them. They don't care too much how it works as long as the benefit to them is clear and that the product doesn't cross any red lines such as the opening of firewall ports and other security problems. Ensure that your general approach, sales materials and training are all focused on what benefits the product brings the customer. The product's features are the "how" benefits are achieved, not objectives in their own right. This is why problem-oriented positioning is so important...

Food for thought

Many PMs spend much of their time on "how it works" vs. "how it helps the customer."

Where do you spend most of your time?

7. Sales reps don't have vision, they have comp plans

Compensation plans are what drives sales rep's behavior. The comp plan is the company's way of telling reps "this is what we want you to do." Sales reps will sell according to what will maximize their compensation. It's a mistake to rely on other ways to incite them to sell, such as flashy new sales materials unless the compensation plan is synchronized with your objectives.

Fact

Typically the best-performing sales reps earn the highest salaries in the company. This is both customary and necessary.

8. The sale isn't over until the fat lady sings, and then some...

"Product managers must understand that the REAL decision is made not when the prospect says he wants something, specifically a change to the software, but when they sign on the dotted line."

— Don France, Principal
SalesNavigation

The only thing that counts for Product Management is the customer's signature on the bottom line. Sales reps may come to you requesting changes to the product in order to close a deal. There are two issues to be mindful of:

1. Be very, very cautious about expending resources before the customer signs the contract. Should the deal close, no resources should be expended on the product before the customer signs the contract, regardless of how important the customer is. A sales rep's promise that the customer is "just about



to sign” or that this is “a closed deal” should leave you unfazed. Many things can and do go wrong at the last minute. A sales rep’s word is not money in the bank.

2. If your company is a software vendor, it’s a mistake to customize the product for a specific customer. The product needs to address a market segment, not a specific customer’s needs. Adding features that will help you in the market segment that the customer belongs to is one thing, customizing it for them is another. Custom work can be done as long as it’s done outside the R&D organization, as part of Professional Services. Use an API or product-specific development tools, which don’t change the core product. Of course, the customer should pay for any work done by the Professional Services group.

“If your company is a software company, it should NEVER build custom code for a particular deal. Yet many companies do this because they lack maturity and discipline.”

— Steve Johnson,
Pragmatic Marketing

For the company, the sale isn’t over until the customer is implemented and referable. It’s not about getting money in the short-term rather long-term market share. A deal that doesn’t build market share is a waste of company resources.



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9. The win/loss analysis

Win/loss analysis is critical to the continuing success of the company. This process is like any post-mortem. A “pathologist,” the disinterested third-party, independently assesses the “patient’s” treatment after it has ended. With companies, this process is the responsibility of the Marketing department and PMs should be involved in the process, if not manage it themselves. The purpose of the win/loss analysis is to understand what happened in the sales cycle and how to increase the chances of winning the next deal.

You should be looking out for things to improve that are within your domain such as:

- Messaging that was not well understood by the prospect.
- Missing product functionality.
- A pricing model that might be impeding sales.
- Sales tools that are not having their desired impact.
- Changes to the competitors positioning and product.

All the sales cycles need to be analyzed. Sales reps tend to be reluctant to report a loss especially if it occurred in the beginning of the cycle. Make the extra effort to identify prospects that were lost at the beginning stages of the cycle.

Tips

Don’t forget the “Win” part in the win/loss analysis. Learning from the account “wins” is just as important as learning from the losses.

Make it clear to the sales force what will be done with the results of the analysis. If you can point to a change in product, pricing, etc. as the result of a previous survey, the sales team will be more motivated to help you.

10. What it costs to sell

It costs a lot to sell enterprise products. Marketing programs for generating leads are very expensive. Generating a lead can cost anywhere from \$20 to \$100 for webcasts and mailings and up to thousands of dollars per lead at tradeshow. After leads are collected, they have to be qualified. Consider the time spent by the rep speaking with the prospect, traveling to meet and entertain them, etc. A sales call typically costs \$2,000 to 5,000! Current research shows that it costs roughly \$2,000 per day to send a B2B rep into the field. Bringing an SE? Add \$2,000. Taking a product manager? Add another \$2,000. Then of course there is the rep’s compensation. The bottom line is that fully-ramped sales reps can cost a company \$200,000 to \$250,000 a year and more.

Summary

To be as effective as possible, product managers need to understand the sales process, understand what role the sales reps play and how product managers can affect this process.





*Alan Armstrong, Director of Strategy
Wily Technology, Inc.*

“Pragmatic is about
developing your career.
It's about giving you the
tools to get ahead.”

– Alan Armstrong
Director of Strategy
Wily Technology, Inc.

Mapping out a career path in high-tech Product Management is a challenge. To be successful, you must lead through influence rather than mandate. Since many product managers begin their career with a non-marketing background, they often lack the necessary skills to perform the strategic aspects of the job. These same skills build a solid foundation for becoming a market-driven executive.

Pragmatic Marketing offers a complete training program specifically designed for dealing with all aspects of high-tech product management and product marketing. Our framework, fine-tuned by 25,000 attendees over 10 years, provides a market-driven model for managing and marketing technology products.



The Industry Standard in Technology Product Management Education

Visit www.PragmaticMarketing.com to learn more.

Using Force Field Analysis to Listen to Customers



At a meeting of customers, such as an annual user conference, do you dread the “feature list haggling” breakout session? Does it seem to end up being a complaint session, which is never strategic and never satisfying? It sends you running for the bar vowing never to do one again.

Instead of haggling over features, try a force field analysis.

You'll discover:

- What your customers think has contributed to their success (as it relates to what you do)
- How your products or services are holding your customers back
- Customers' priorities (not only about what you offer, but overall priorities for their business)
- Which “big ideas” your customers are thinking about

Force field analysis (developed many years ago by Kurt Lewin, a pioneer in the field of social sciences) is a technique you can use with customers to elevate a painful exercise into powerful feedback. It is a very simple tool that can be used to quickly brainstorm and prioritize ideas with a group of customers.

For your product or service, what are the:

- *Driving forces?* These could be features, services, a way of doing business with you, your channel, your website—anything that helps customers drive to success.
- *Restraining forces?* These might be quality issues, complex implementation, convoluted processes, support, and unclear procedures—anything that prevents your customers from being successful.

This process can work with groups as small as 5-6 and groups as large as 150 broken into round tables of 8-10. More than 150 people will result in chaos if you try to do it interactively. Try segmenting into smaller groups: industry, type of user (such as systems administrator, manager, analyst, data entry), product line, or region.

[One caveat—if you currently have a lot of unhappy customers and few happy customers, this technique won't work any better than a feature haggling session. It will quickly deteriorate into “beat up the vendor” when you get to the restraining forces.]

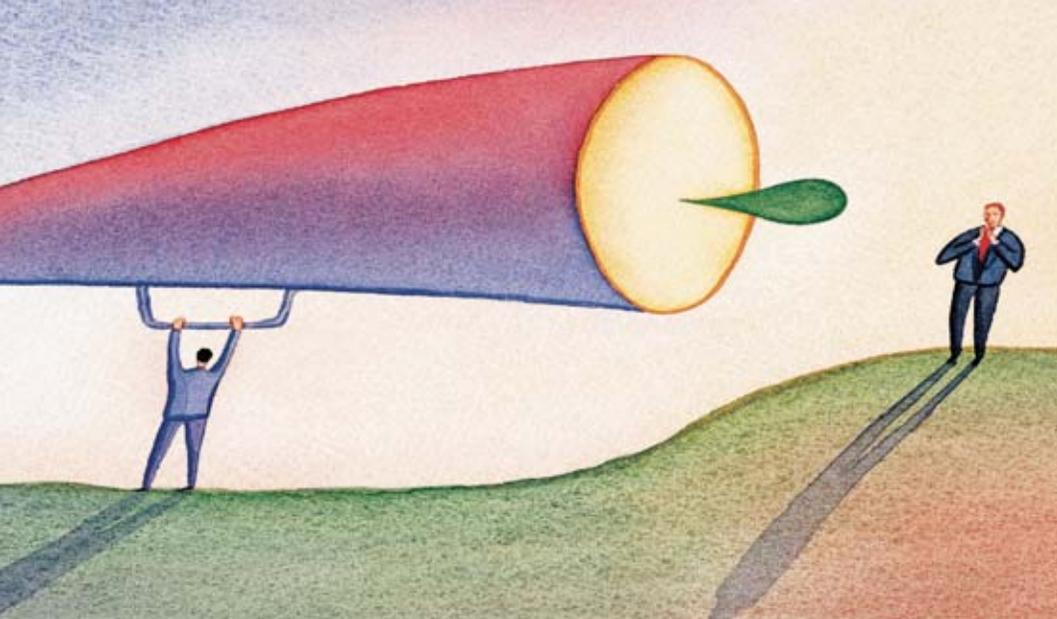
Assuming you have happy customers, decide what you're really trying to learn before the meeting begins.

State the problem, goal, or situation where you want feedback. Make sure this is well thought-out or you could end up eliciting feedback for the wrong things. It's a good idea to have a separate discussion for long-range issues versus next release.

It is also important to set expectations with the group. This is input into the process, not the final authority! (But if you never act on what you learn at these types of sessions, don't bother collecting the information.)

Each table should elect a scribe and a facilitator (who will also act as a spokesperson for the group). Follow this entire procedure first for the driving (positive) forces and then again for the restraining (negative) forces. Each discussion (driving and restraining) should take about 30 minutes. The time it takes to report back to the group at large depends on how many groups you have.

1. The table facilitator goes around the table and asks each person to contribute one force. The table scribe will record each new force (it is likely some items will be repeated).
2. Go around the table one or two more times until everyone agrees that their top three forces have been listed. Spend a few minutes discussing.



3. Review the list with the group. Each person will get three votes for their top three forces. Read the list again and have everyone vote. The scribe will tally the votes for each force.

If you have multiple small groups, once every table has come up with their top three driving forces, have a moderator with a microphone go around to each table (talk show-host style) and ask for one driving force per table. A meeting scribe can document the forces in a spreadsheet, projected at the front of the room (make sure the resolution is set large enough for people to read them). Go back around the tables one or two more times until each of the table's top three driving forces have been reported.

Leave the list up for a few minutes so everyone has a chance to review. Discuss any items needing further clarification. Then each person in the room will get three votes for their top three forces. Read each item and get a show of hands to vote on the items. The meeting scribe should enter the number of votes for each driving force listed in the spreadsheet. When done, sort the items by the "votes" column to rank them. Refer to our sample list of driving and restraining forces. The scribe can report back to the group at large what the top three driving forces are.

Repeat all of these steps for the restraining forces.

Try this technique with a small group to get the logistics down before attempting it with a large group. You will find it offers lots of application for eliciting feedback both internally and externally.

Force field analysis is a simple tool to use to listen to your customers. But don't forget to report back to the group later on about what you learned. If you discover new driving forces, these might be folded into your positioning (or might result in customer case studies or references). As you begin addressing the restraining forces through new features, products, services, or changes to your operations, let people know that you not only listened, but that you acted on what you heard.

The purpose of listening to our customers is to continuously improve and refine our products and services to help customers solve their problems.



Driving Forces	Votes
Integration across modules	50
Excellent technical support	45
Extensive ecosystem of partners and other solutions	41
Excellent product customization capability	40
Excellent web self-service	39
Standards-based technology	38
Easy to do business with	27
24x7 global support	12
Strong industry expertise	8

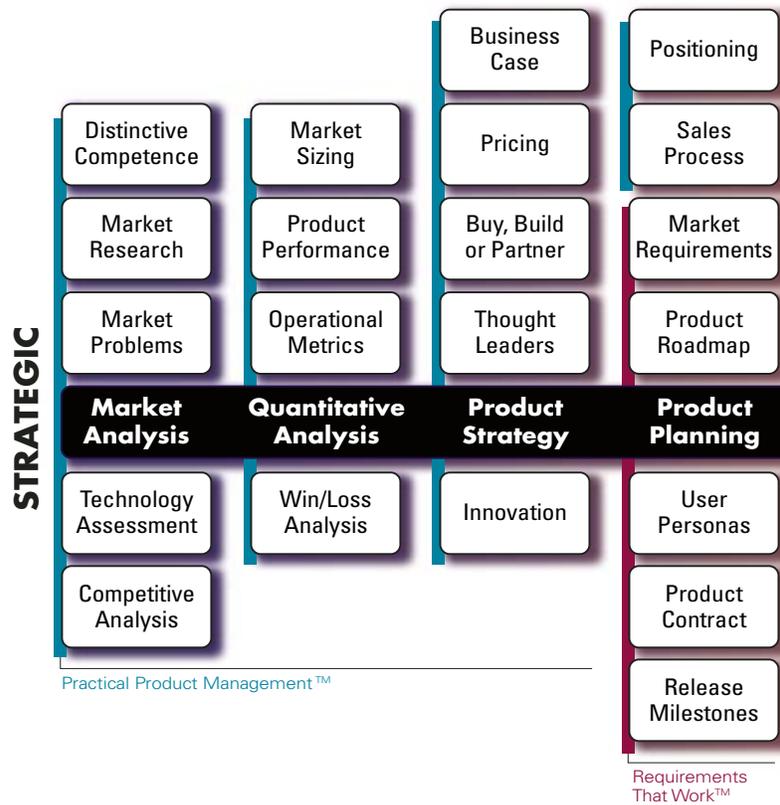
Restraining Forces	Votes
Consulting services are too expensive	70
Product quality is not always consistent	60
Difficult to migrate from release to release	40
User security is inadequate	30
Difficult for customers to integrate custom applications	25
Difficult to create ad hoc reports	25
Difficult to integrate data warehousing solution	25
Unsure of future product direction	15
Release 1 is not usable	10



Barbara Nelson is an instructor for Pragmatic Marketing. She has 21 years in the software industry, including vice president of product marketing for a leading provider of business and accounting applications for the middle market. Before her decade of product marketing experience, she worked closely with customers in several capacities, which taught her the importance of listening to the customer and solving critical business issues. Contact Barbara at bnelson@PragmaticMarketing.com

Complete Curriculum for High-Tech Product Managers

Pragmatic Marketing seminars introduce a framework that gives *technology* marketers the tools necessary to deliver market-driven products that people want to buy. We focus on all practical aspects of juggling daily tactical demands with strategic activities necessary to become expert on the market.



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● Do you understand the relationship between product management and product marketing?

● Does it seem that product managers are overloaded with tactical activities?

● Are you getting the most out of your investment in Product Management and Product Marketing?

● Does your Product Management function need more structure and process?

● Are product managers spending too much time supporting Sales? Development? Marketing Communications?

● Do your product managers and product marketing managers understand their roles?

● Are your product managers trailing the other departments instead of leading them by six or more months?

● Are requirements a moving target?

● Do your product managers rely on the sales channel for product requirements, positioning, name, or pricing?

● Are your Market Requirements Documents not providing enough detail to Development so they know what to build?

● Do your product managers wander into design in the Market Requirements Document rather than provide the market facts that Development needs?

● Are you struggling to keep control during the product planning process?

● Is there agreement between Product Management and Development on what to do?

● Does Marketing need a consistent process to build and deliver market messages that influence each of our target buyers and markets?

● Do you need a process for selecting and designing programs that produce strategic results?

● Is Marketing disconnected from the sales process—generating leads and sales tools that go nowhere?

● Can you accurately measure marketing's contribution to the company's goals for revenue growth, customer retention and positioning awareness?

● Do the people who plan and implement go-to-market activities need to know how their individual roles fit together?

TACTICAL

Marketing Plan

Awareness Plan

Customer Acquisition

Customer Retention

Program Strategy

Sales Readiness

Channel Support

Buyer Personas

Collateral & Sales Tools

Channel Training

Market Messages

Presentations & Demos

"Special" Calls

Launch Plan

White Papers

Event Support

Lead Generation

Competitive Write-Up

Answer Desk

Practical Product Management™

Practical Product Management is for product managers and those who manage or contribute to aspects of product marketing and management. This two-day seminar fully explores the role of technical product management, providing tools and a framework to help get products to market more efficiently.

Build Market-Driven Products by Listening to the Market

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The framework we teach, refined and perfected over 20 years, shows specific processes to find and develop profitable opportunities, plan market-focused products and create winning promotional and sales campaigns. Each seminar offers immediate actionable ideas, templates and tools.



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I. Strategic Role of Product Management

- What is marketing?
- Definition of the role of product management
- Contrasting product management and product marketing
- Assigning ownership of responsibilities
- Identifying the “first steps” with gap analysis

II. Market Analysis

- Distinctive competence
- Market research
- Market problems
- Technology assessment
- Competitive analysis

III. Quantitative Analysis

- Market sizing
- Product performance
- Operational metrics
- Win/loss analysis

IV. Product Strategy

- Business case
- Pricing
- Buy, build, or partner?
- Thought leaders
- Innovation

V. Product Planning

- Positioning
- Sales process

VI. Case Study

VII. Delineating Responsibilities

- Communicating market facts to Development, Marcom, and Sales
- Drawing the line between Product Management and the other departments

DAY 3 Requirements That Work™

(For those who write requirements)

VIII. Building the Market Requirements Document (MRD)

- Writing requirements
- Implementing use-case scenarios
- Programming for the “persona”
- Determining product feature sets
- Creating the MRD

IX. Analyzing Business and Technology Drivers

- Reviewing specifications
- Prioritizing the product feature set

X. Getting (and Keeping) Commitments

- Product contract
- Getting the product team in sync
- Getting executive support
- Communicating the plan in the company and in the market

Requirements That Work™

Requirements That Work is an intensive one-day course that introduces a straight forward method for creating product plans that product managers can write, developers readily embrace, and that produce solutions the market wants to buy.

I. Defining Roles and Methodology

- Understand the source of conflict between Development and Marketing
- Define clear roles and responsibilities
- Introduce a product planning methodology

II. Gathering Input

- Channels of input to product planning
- Organizing product ideas
- Quantifying market needs

III. Building the Market Requirements Document

- Writing requirements
- Implementing use-case scenarios
- Programming for the “persona”
- Determining product feature sets
- Creating the Market Requirements Document (MRD)

IV. Analyzing Business and Technology Drivers

- Reviewing specifications
- Prioritizing the product feature set

V. Getting (and Keeping) Commitments

- Product contract
- Getting the product team in sync
- Getting executive support
- Communicating the plan in the company and in the market

Effective Marketing Programs™

Effective Marketing Programs is a two-day seminar designed for those responsible for planning or execution of programs and tools that build market share in high-tech markets.

This course explains how the most successful high-tech companies plan, execute, and measure marketing programs and sales tools.

I. Roles and Responsibilities

- The Pragmatic Marketing® Framework
- The Effective Marketing Programs Process
- Role definitions & skills assessment

II. Buyer Personas

- Positioning by type of buyer
- Creating buyer personas
- The sales channel persona

III. The Strategic Programs Plan

- The business case for marketing programs
- Supporting sales goals
- Metrics that engender management support
- Building the right marketing budget

IV. High ROI Sales Tools

- Writing useful, high-impact collateral
- How to generate success stories
- Real thought leadership in whitepapers
- Building a strategic website

V. Goal-Oriented Program Execution

- Controlling lead quality and throughput
- When to use online marketing
- Measure results without CRM
- Program priorities for each goal

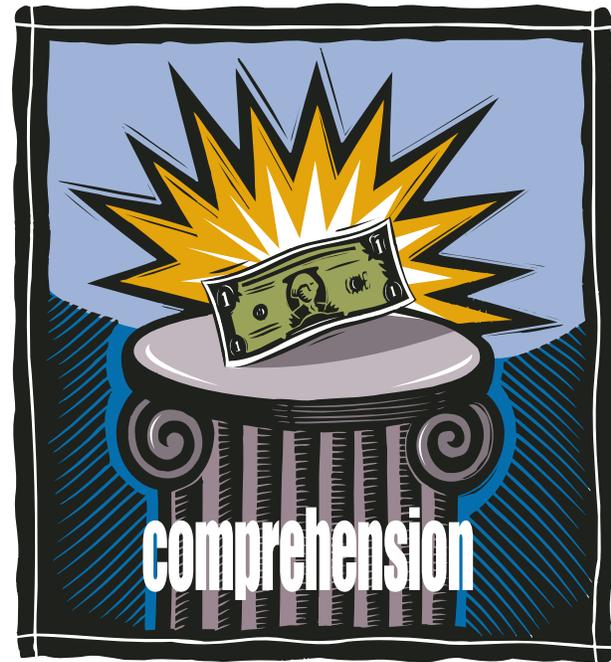
VI. Start Where You Are

- Prioritizing next steps
- Start with existing programs
- Setting measurable goals

Poor product training often results in low sales revenues and slow take-up of new products. The dilemma is that customer centric sales people (i.e. not product specialists) need to spend as much time as possible in front of customers and not in training sessions. However, the more they know about how their company's products and services solve their customer's business problems, the more opportunities they'll create.

Sales people often avoid any product training, feeling that it is a waste of their time. Product managers and marketers often feel frustrated by the lack of interest in training and poor results out in the field.

This article explores why product training fails and what can be done to succeed in this area.



How to Make Selling Complex

New insights into product training

By Andy McGinn

Introduction

Any discussion of product training needs to define two concepts, as these concepts hold sway in today's high-tech marketplaces. The first concept, not surprisingly, is "product training," while the other concept is "solutions."

Product training—or more precisely, effective product training, is defined as: distinct, proprietary content or knowledge about a product or service that significantly helps sales people sell more.

It is important to note that this definition is independent of the delivery mechanism—meaning, depending on circumstances and an organization's preferences, effective product training can be delivered in a variety of ways: one-to-one, classroom, seminar, e-learning, the company intranet or a booklet.

The key is not how the product training gets to the sales team, but what real, tangible value there is in the content they are given.

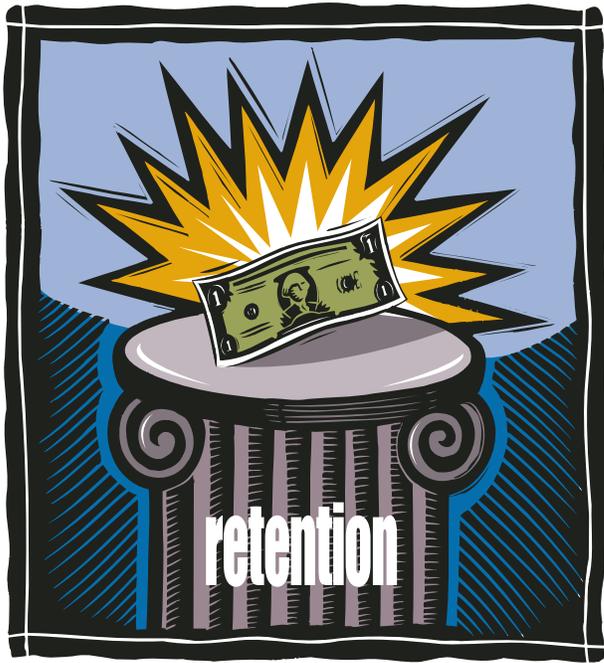
Solutions—The whole high-tech industry is obsessed with the idea that they no longer sell products, they sell solutions.

Our definition of a solution is simply: any combination of products and services that solve a customer's problem. So cutting costs by moving Human Resources offshore is a "solution." Improving productivity by providing a long-life laptop battery is also a "solution." What counts for the customer is not how complex the solution is, but whether their business problem was solved and how well it was done.

If you're into solutions in a big way, don't worry. Product training is relevant to the whole universe of sales, which includes selling:

- Solutions
- Services
- Products

We're not being lazy here. It's just a realization that, in today's world, sales categories have become increasingly blurred.



Solutions Simple

Why bother with product training?

Why indeed. Especially when product training is viewed by most sales people as a waste of valuable golden selling hours and by most product or marketing executives as the poison chalice. So why bother with it at all? Because, when product training is done properly, the business can clearly see and track three main benefits:

1. An increase in pipeline activity
2. A reduction in the time from product launch to volume sales
3. Improvement in qualification of sales opportunities

These benefits, in turn, translate into higher profits because of increased revenues and lower costs of sale. So, at this point, it is worth considering in more detail exactly what effective product training is, and how to recognize it.

Exploring effective product training

It's one thing to claim that most product training courses don't work (and we'll explore the claim in the next section), but it's important to detail some key characteristics of effective product training. Effective product training does the following:

- Increases the sales team's comprehension of what the product is, how it will benefit their customer's business and robust methods for actually selling the product.
- Enables retention of the proposition, so that the sales team have enough credible information to identify or create a sales opportunity.
- Motivates individual sales people to actually go out and sell more product.

Effective product training is built on three pillars of: comprehension, retention and motivation (CRM for short).

Comprehension is where product training simplifies the complex features of the product offering, and fuses those features into a unique value proposition(s) that the sales people can understand and use.

Retention is the ability of good product training to create compelling product stories, appropriate product analogies and memorable product metaphors. That takes talent and hard-won sales experience.

Motivation is the key here. If sales people believe that selling your product will give them a higher return on their time (investment) than an alternative, they will "move heaven and earth" to understand and retain the information required to make a sale.

Motivation is far more complex than just waving a \$ sign in front of them. Experienced sales people especially will weigh that \$ return against the likelihood of a sale, the time needed to be invested, the risk to their reputation, the risk to their customer relationship, etc. →

If there is any sign that your product or service won't produce a good return on investment (e.g. if there doesn't appear to be easy access to background information, etc.), the seasoned salesperson will just look elsewhere for an opportunity.

The more choices your sales audience has to meet their target, the harder you have to work at motivation (e.g. if you need the sales team to sell software but they can just as easily make target selling hardware, you may need to work at motivation).

Why 95% of product training fails

It's important to look at both sides of the fence when analyzing the success or failure of any sales effort. From the Product Marketing side and senior management we often hear these statements:

- Our sales people can't sell solutions!
- Our sales people just shift licenses/boxes/minutes, etc.
- Our sales people are lazy. They never seem to actually study the new products/services properly. How can they expect to sell them?

From the sales people we often hear:

- I don't go to product training anymore. They are a waste of time.
- What I want is to understand how to sell it, not be a developer/systems administrator.
- They don't give me what I actually want.

The reason that most product training fails needs to be explained at two levels: The first level is, what is it about the training that doesn't tend to work? The second level is, why does that happen?

Let's look at the first level first. This list of sales feedback to "traditional" sessions illustrates what it is about product training that doesn't work:

1. Lack of comprehension

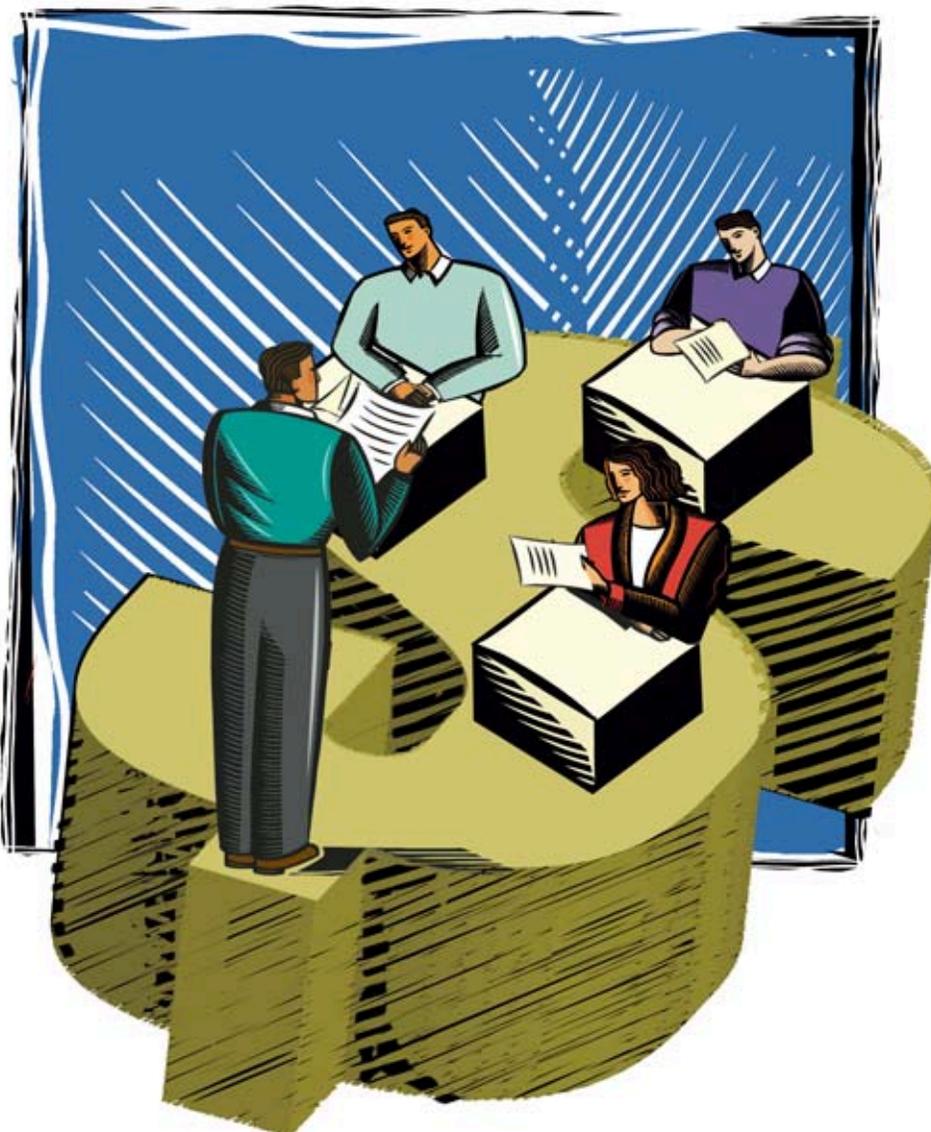
- I don't understand anything here. It's just too technical.
- I don't understand the sales process. What are we actually supposed to do?
- I don't understand what's in it for my customer.

2. Lack of retention

- It's clever stuff but I can't remember all that.

3. Lack of motivation

- I don't see how this will help me make target.
- I believe that the competitive information is either unreliable or just unusable. I'd get eaten alive if I tried to use that.
- I don't believe in the proposition. It just looks like marketing hype.
- I think this will eat into revenues from my existing products.
- I don't think this will work with my customer.



- I can't see any evidence of good collateral and I don't want to have to chase after it. I'm just too busy.
- I've heard that this product team just point you at "the web" and you end up sifting through hundreds of pages of useless techie stuff. I'll leave it.
- I'll end up looking stupid in front of my customer.

So, what is it about the training that doesn't work? It's the insufficient attention paid to the key elements of comprehension, retention and motivation.

Now that we have answered the first level question, let's move on and try to answer the second level question.

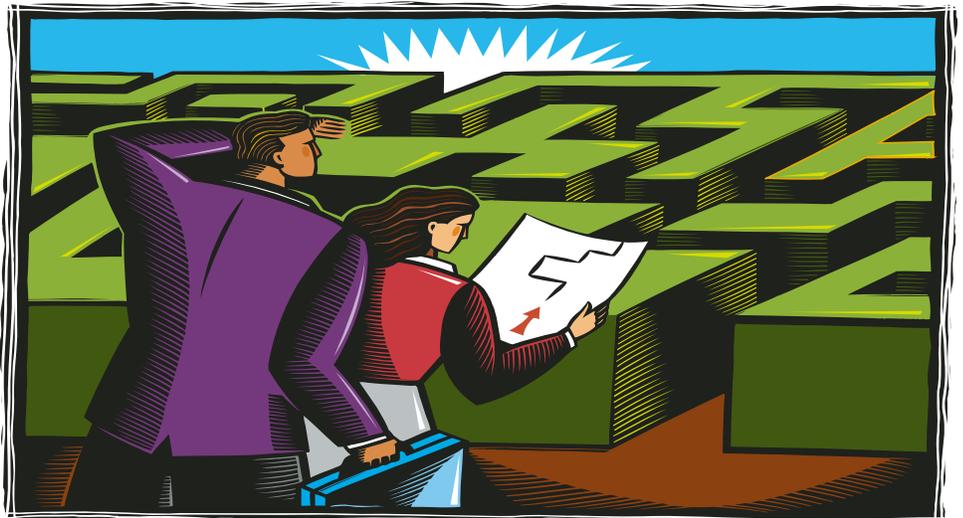
"Why does that happen?"

There are two main reasons:

- Product managers and marketing executives are already too busy (superior product training is hard work) and/or
- They don't have the skills or knowledge to produce material for this particular audience. Because there is a lack of information/documentation/interest groups, etc. about exactly how to produce product training for this audience, it's unreasonable to expect product and marketing people to be adept at this, and do their day jobs as well.

Neither of these are really the fault of product managers. They are often busy trying to help sales people close business and we've never come across a "how to do excellent product training for sales people" course at any high-tech organization.

Why does 95% of product training fail? Not enough attention is paid to the three key factors that make it work, and the people who produce product



training are either too busy or don't have the specific skills or information required.

Obstacles to effective product training

No company deliberately sets out to sabotage its product training. But as the organizational chart mushrooms, and roles become specialized, somewhere NPD (New Product Development) and Sales & Marketing split off into two different camps.

While such division of labor has fuelled the growth of commerce since Adam Smith and his "Wealth of Nations," that same specialization is at the heart of what stops effective product training in today's hectic world.

Today, product teams and sales teams speak different languages, which though understandable (they operate in widely different environments on a day-to-day basis), makes communication very difficult indeed. Consider just some of the following obstacles to communication:

- Product teams have "deep," but not "wide," product knowledge. They are fantastic on detail, but sometimes find it difficult to see the big picture in the same way the salesperson

needs to (e.g. will this product cannibalize existing revenue streams?).

- Most product experts make poor product teachers because they assume everyone has a grasp of the fundamentals (like they do). Again this is not their fault. It happens to anyone who lives and breathes a subject for long enough, including us!
- Constructing a product-training program is hard, creative and unusual work. The demands of the sales teams and development cycles mean that product training is relegated to the important, but not urgent file, and rushed at the last minute.
- Good, local case study material is notoriously difficult to get hold of, as sales people are always off on their next opportunity and don't want to be meeting with marketing execs to discuss a "done deal."

Now that we have listed some of the common obstacles, the role of effective product training becomes clear.

The job of product training is to be an accurate and sympathetic interpreter between the two camps—to be fluent in product-speak and sales-speak, and to fully understand, not condemn, the cultural differences of both parties.



What sales teams really want

What sales teams really want is product training that helps them exceed target. Basically they are very much like the CEO. He wants improved ROI to keep the shareholders happy.

The salesperson wants the maximum amount of sales within the least amount of time. In product training terms, this translates into a demand for the most useful information in the minimum amount of time. This boils down to the following list of “must-haves” when it comes to product training courses:

- **“What’s in it for me?”**
A clear, specific explanation of the benefits to the salesperson of selling this product (especially if it is one of many)
- **“What’s in it for my customer?”**
Clarification of product benefits. So they don’t have to go hunting for the benefits in the thick forest of product features

- **“Why us and not the competition?”**
Accurate, realistic and verifiable information about the competitor’s products coupled with a truly unique selling proposition(s)
- **Take home facts and figures**
Woven into easy-to-remember product stories
- **Background information**
Accessible, useful information, specifically written for sales people

Putting it right

One approach to improving product training is to conduct a six-month assessment of the skills of the sales people—their needs for product training, etc. However, by the time it’s complete, most of what was initially examined has changed and the company is back to square one. The easiest approach is to start with these actions and then build from there:

1. Get the CEO involved. If you need to accelerate developments in product training, you need a high-level sponsor who straddles both Sales

and Marketing. The language used in “Why bother with product training?” is specifically geared around the needs of the board of directors and should help you to get some leverage when needed.

2. Ask a salesperson. You know that sales people will tell you exactly what is wrong with what is being done currently, so just ask. You don’t need to conduct a huge survey (especially if you are a product manager—just making sure your part of the empire is on target), 5-10 views from sales people will give you a good basis from which to work. You can use the comments under “Why 95% of product training fails” to help build your mini-survey.
3. Develop a small network of like-minded colleagues within the company and share ideas on what works and what doesn’t. Although this may seem obvious, one of the main benefits is it provides a support structure to help keep you focused on better product training and ultimately better product sales.
4. Develop a consistent approach. Once you and your colleagues have done this enough times, you’ll have your own company-specific methodology. This could be as formal as a mini website, or informal as a long text document with ideas jotted down from multiple contributors.

Product sales are complex enough to start with—so the job of product training is to simplify the complex and to clearly show to the sales force the actual way your products deliver results to their customers, and the easiest ways that they can articulate and demonstrate such benefits.

pmc



Andy McGinn is the CEO of Reality Associates Ltd. Reality Associates works with companies such as Oracle UK and BT to develop business centric product-training programs for their sales teams. Andy can be contacted at andy_mcginn@realityassociates.co.uk



Micro Focus Unlocks the Value of Marketing



Micro Focus, Inc. is a company that understands how to unlock the value of legacy assets. Its software enables organizations to reuse and extend the life of legacy applications written in the COBOL source language. For Micro Focus' customers, making the most of their existing enterprise systems results in reduced costs, increased agility, and minimal risk.

The same can now be said for Micro Focus' global marketing organization, thanks to an aggressive plan to reinvent its processes and galvanize the worldwide team. According to Alan Holdship, vice president of North American Marketing for Micro Focus, "When I looked over the landscape of marketing, I realized that, in spite of our efforts, we were an island within the company. We had not figured out how to leverage the

skills of Sales or Product Management. Therefore, we were not firing on all cylinders."

He adds, "At the same time, given that we are a global marketing organization, with people in Germany, Japan, Italy, BeNeLux, the Nordic region, France, Britain, Australia, and the U.S., we didn't have a sense of being one worldwide unit. We were presenting ourselves as several companies—not just in our messaging, but the processes by which we were working and communicating. There was no single method to take an initial thought and work it through until we created a specific result, so our efforts were scattered and inconsistent. Micro Focus was determined to present itself as a global company. So it was important for the marketing organization to present our solutions to worldwide customers with one face and one message, with a consistency that would run across the globe."

Beyond that, the marketing organization didn't have a clear picture of how it contributed to the company's success. It needed to establish a clear reason for being, a role that deserved the respect of the rest of the organization. "We realized that credibility comes from metrics," says Holdship, "and we didn't have a way to measure our marketing programs. We couldn't learn from anything we did wrong or benefit from the things we did successfully, and we couldn't report our successes to our stakeholders."

Answering the call

Toward that end, Holdship went in search of a professional training program that would help Micro Focus begin to unlock the value of marketing. "I wanted to make sure that everyone around the world got the same, fundamental education



"Today, we can track every single program, from a small online demo to a major direct marketing event."

Case Study

about marketing and how it works. Our goal was to get everyone in one room, call in the best people we could find, and have them give us the insights we needed to succeed.”

The solution was Pragmatic Marketing® and its Effective Marketing Programs™ seminar. “I was impressed with the Pragmatic Marketing Framework and with the professionalism of the organization,” he says. “I recognized many things within the program content that we needed in our marketing organization.”

Holdship brought 27 people together for a planning meeting, including all of the members of his worldwide marketing team and representatives from his advertising and PR agencies. The week started with the two-day Effective Marketing Programs seminar, and continued after the seminar as everyone worked on plans to implement the new ideas. “The goal was to bind the group together with specific skill sets and processes that we could all use and benefit from. Pragmatic Marketing offered that. They provided the insight into the role of marketing and how it works with other parts of the company, along with best practices for delivering effective marketing programs to our customers—both internal and external.”

For Holdship, one of the critical elements behind the success of the session was the skill of the instructor. “Adele connected with people. Her skill is steeped in this massive knowledge and experience; she’s been there and done just about everything. But she took all of that experience, adapted it to our unique situation, and applied it at the right level—to the point where she stretched our people to learn, but not where she lost them.

She gave us insights into where we could take this in the long term, as well as what we could do next week to make a difference.”

Breaking down the barriers

One of the first things the team learned was how to prevent Marketing from being an island within the company—a very protective and defensive island. “As a group, we came to the realization that marketing was not exclusively up to us,” Holdship emphasizes. “We realized we had help around the company. For example, Product Management plays a major and necessary role in marketing. Without them, we cannot be successful. Without us, they cannot be successful. Intuitively, you know that. It’s not nuclear physics. And it was the same with Sales. But to see it on someone else’s slide presentation—a well-respected, neutral organization—was an eye-opener for everybody.”

He continues, “We learned that there are people within our company who not only wanted to help, but essentially were supposed to be part of the marketing process. And that helped us cut through fears and conjectures such as, ‘If we go to them, they will tell us what to do.’ Instead, we could view it as, ‘If we go to them, they will help us do our jobs better.’ That was a big plus. In fact, the biggest single benefit of the training was breaking down the barriers that stopped Marketing from communicating with Product Management and Sales.”

One company. One marketing team.

Another valuable lesson from the Pragmatic Marketing training was that there are best practices and structures to follow for effective marketing programs. “As a global marketing team, we can all benefit from

following the same processes and workflow—from idea all the way to delivery. With everyone on the same page, we get increased consistency of brand identity across different cultures. Today, Micro Focus is truly a global company, a much more integrated company. As a result, the company is positioned to be more successful and increase its revenue.”

An added bonus of the training session was the team building that occurred. “Over two days, we came together as a unit under the auspices of this professional training. We came away with a sense that we were all in this together—regardless of language or culture or market size,” remembers Holdship. “The team-building part was not planned. But in a pleasantly surprising and very beneficial way, it drew the group closer together. Now, the marketing organization functions as a productive team, rather than as individuals working in different directions. And we can see elements of the Effective Marketing Programs seminar in everything we do now.”

Response-to-revenue metrics

A critical aspect of the training was the impetus to measure results. “Before the training, we had no credible metric with which to measure marketing—whether good, bad, or indifferent,” explains Holdship. “Pragmatic gave us the idea to measure and showed us the value of that. It was the stimulus we needed to develop our marketing metrics and tools like our lead generation engine, our communications engine, and what we call our ‘response-to-revenue process.’ Today, we can track every single program, from a small online demo to a major direct marketing event. We can actually do closed-loop marketing—which was just a dream at the time we went to the Pragmatic training.”



The Strategic Role of Product Management™

The ability to measure every marketing program and make changes based on real data means the marketing organization can predict success with much greater accuracy. “We know how our programs are contributing to the company’s goals. I can now stand up in a company meeting and say, ‘We are going to generate X number of responses, and those responses are going to be worth Y amount of revenue.’ Senior management knows what return they’re getting on their investment in marketing, and how we’re contributing to the company’s overall success. There is a growing sense that Marketing is an integral part of the company and the way it acts and moves and thinks.”

The ability to measure accurately and predict results reliably has also led to a quantum leap in the credibility and respect the marketing organization now has with Sales. “Marketing has gained respect through credibility and results. The sales force now *expects* Marketing to be part of the discussion and *expects* Marketing to deliver. They don’t demand anything from us any more. Now they come to us with a problem and ask us to find the best solution. We have raised the bar. And we have gained enormous faith in ourselves.”

The turning point

Holdship is quick to point out that the changes did not take place overnight. It is a continuous process and takes many, many months. And the process went through periods of ups and downs. “But I can always look back to the Pragmatic Marketing training as the starting point of all these things, because that’s when we came together as a team and heard about all these great things we could do. The seminar was the pivotal moment in how we changed the marketing organization. It was the cornerstone, the beginning of the new Micro Focus marketing.”

He concludes, “After that, it was up to our people to execute and drive it home. There were no surprises—we could just get on with it. And we did. We still have a lot of work to do, but we’ve made significant progress. Now we have the tools, the processes, the skills, and the support of the company to produce the right results with confidence.”



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Free seminar!

This seminar is open to anyone currently employed in high-tech marketing, including senior management, product marketing managers, and product managers.

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Seats are limited, so early registration is recommended. See available dates on back cover.

- As a high-tech executive, are you unclear about the strategic role of product management?
- Does the role of product manager in your company need to be defined to the CEO so support can be given to strategic activities?
- As a product manager, do you strive to lead the organization rather than react to it?

This half-day session is a subset of the Practical Product Management™ seminar and introduces the industry standard for high-tech marketing, the Pragmatic Marketing Framework. Refined over ten years and implemented by hundreds of technology companies, this framework shows how Product Management and Marketing personnel can move from tactical activities to quantifiable, strategic actions that deliver tremendous value to the company. This session includes immediate actionable ideas about how to best establish the role of Product Marketing/Management and define market-driven products that make customers want to buy.

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July 26 – 28*	Vienna, VA
August 9 – 11*	San Francisco, CA
August 16 – 18*	Bedford, MA
August 23 – 25*	Minneapolis, MN
August 30 – 1*	Toronto, Ontario
September 13 – 15*	Santa Clara, CA
September 20 – 22*	Boston, MA
September 27 – 29*	Austin, TX
October 12 – 14*	San Francisco, CA
October 25 – 27*	Boston, MA

Introduces a framework that gives product managers the tools to deliver market-driven products that people want to buy. Focuses on the practical aspects of juggling daily tactical demands of supporting the channel with strategic activities necessary to become expert on the market.

* Requirements That Work, Day 3

Requirements That Work™

July 14	Cambridge, MA
July 16	San Francisco, CA
July 28	Vienna, VA
August 11	San Francisco, CA
August 18	Bedford, MA
August 25	Minneapolis, MN
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September 15	Santa Clara, CA
September 22	Boston, MA
September 29	Austin, TX
October 14	San Francisco, CA
October 27	Boston, MA

Provides a repeatable method for product planning resulting in a Market Requirements Document that others read and use. Establishes clear roles for product planning team members and teaches a process that creates an executable plan that delivers solutions that sell.

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Illustrates a practical process for delivering programs that measurably impact revenue, market positioning and customer retention. Product marketing and marcom professionals will clearly understand how they contribute to the company's strategic and tactical goals.

July

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31						

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