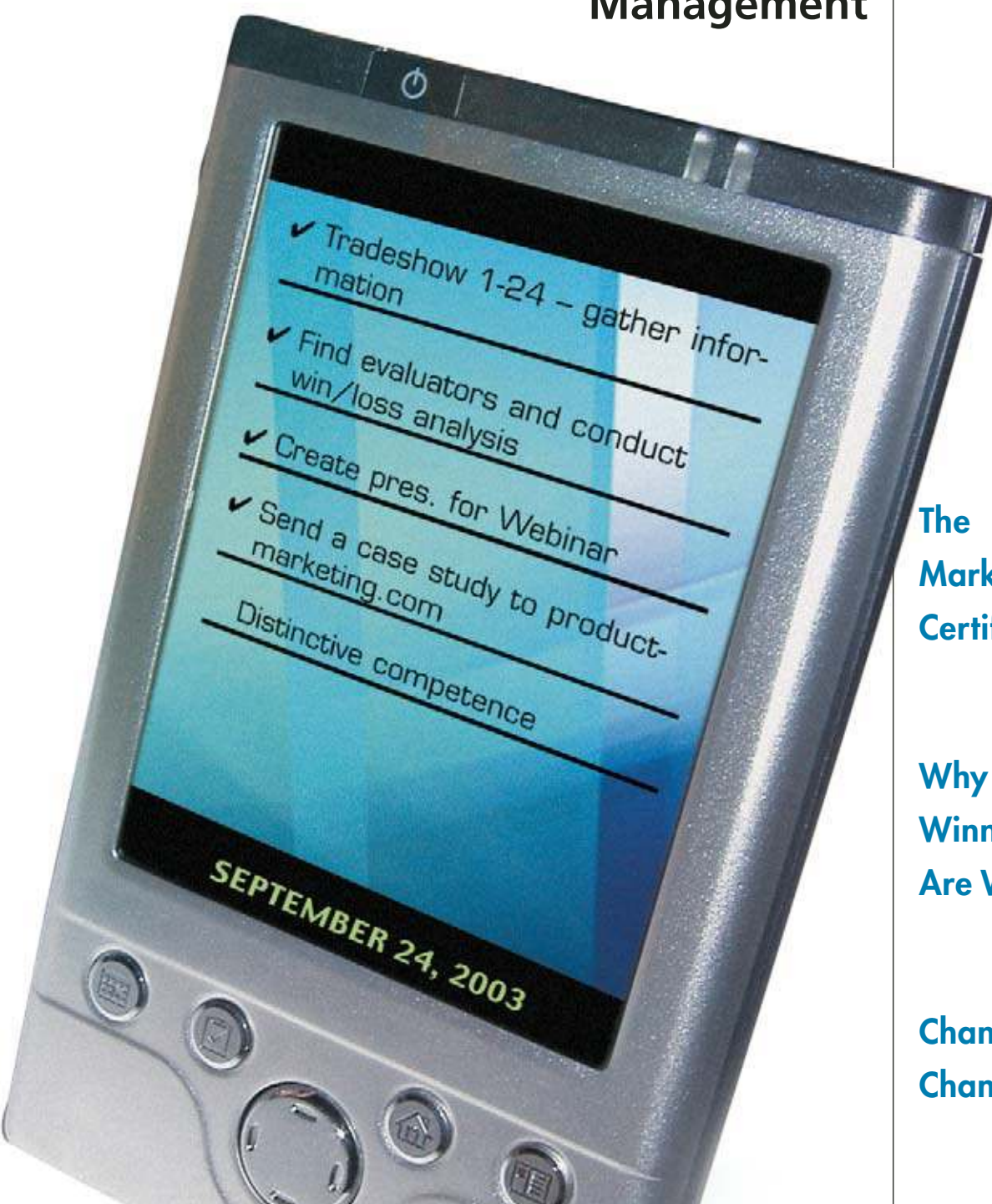


## How to Make Less of a Mess in Software Product Management



The  
Market-Driven  
Certification

Why Are We  
Winning and Why  
Are We Losing?

Change Now,  
Change Later

# Have You Changed?



Depending on whom you talk to, we are either near the bottom of the economic slump, or we have begun the climb to more prosperous times. One measure I use to gauge the health of the high-tech product

marketing segment is the number of new job postings. Two years ago, virtually all the posting revolved around the, "Help, I just got laid off" genre. Now I am more optimistic as I see a variety of new job postings every day in the high-tech marketing field.

Through this transition, the industry has been dramatically changed. During the dot-com and software expansion, product management and marketing personnel were hired to fill an expanding vacuum created by a market with an insatiable appetite. Marketing positions were in such demand that they were filled by recruiting from other parts of the company with little or no marketing experience. Experienced people were recruited by other companies, offering larger salaries, causing the marketing employee retention period, in some parts of the country, to dip below 12 months.

Well, the bubble burst and managers in the surviving companies were faced with the gut-wrenching task of deciding who to lay off.

Having personally participated in this task, I know that management tends to gravitate to tenure, experience, qualifications and, probably most importantly, the delivery of value to the company. Those who were kept, at least in the minds of management, are the ones who demonstrated measurable results.

Many who were cut, found it particularly difficult to find employment in a sagging market, regardless of pay. With few credentials and little experience, some have given up and changed careers citing that they'll never find a job in high-tech marketing again. They are probably right.

Although the job postings are expanding every day, those doing the hiring are being much more selective. They want to hire strategic thinkers who, through experience or training, know how marketing can deliver exceptional value to the company.

The economy is preparing to make a comeback. The industry has changed over the last two years so you must ask yourself, "Have I changed?" There is no better time than now to prepare by improving yourself. Read some new books, attend training, or quantify your knowledge through certification. Preparing for the unforeseen opportunities in the next two years will assure your likelihood of success.

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**About Pragmatic Marketing, Inc.**

Based in Scottsdale, Arizona, 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 22,000 product managers and marketing professionals, and was named one of the Inc 500 fastest-growing companies of 2000. For more information about Pragmatic Marketing and its courses, please visit <http://www.pragmaticmarketing.com> or call 480-515-1411.

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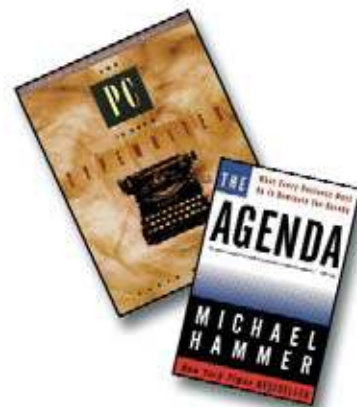
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# How To Make Less of

*By Bruce Hadley, SoftwareCEO.com*

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In our 20+ years in the software business, the messiest job we've ever seen is product management. Not because it's particularly dirty or greasy, but because so few understand it, yet nearly everyone claims that they do—and none will hesitate to tell you how badly you're doing at it.

And, this mess runs deep: Ask ten software CEOs to define software product management, and you'll get ten different answers. Ask another ten where the job ought to live, department-wise, and you'll get at least three different answers. Ask another ten to put a price tag on the position, and you'll get a range from secretarial to saint.

In terms of job security, there's probably nothing dicier than VP of sales—especially in a sour economy. But the product manager's job is right up there: To do it well, you need a renaissance-level assortment of skills, the charm and graciousness of a career diplomat, and the hide of rhino.

So, what the heck does a software product manager do? How do you know if you need one? And what are the prime mistakes to avoid in product management?

We recently caught up with Bill Corrigan, the VP of product management and marketing for Boston-based developer Softricity, founded in 1998.

Although the company isn't huge—55 employees and about \$6 million in revenue this year—Corrigan's product management background is blue-ribbon: He previously worked for Calico Commerce, a Kleiner Perkins-backed developer that went public in 1999 then sold to PeopleSoft, and for IBM; he was the product manager for Lotus Notes for over 10 years.

Since Corrigan now has both “management” and “marketing” in his title, we thought that a good place to start:



# a Mess in Software Product Management

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**Q:** What's the difference, we asked, between product management and product marketing?

**A:** "Product management means building the right product for the market at the right time, and helping Sales sell it," Corrigan says. "It means understanding your customer inside and out, so that you can deliver the right product to the right audience. Product management puts the product on the shelf; product marketing is getting people to take it off the shelf."

Okay, next question:

**Q:** Who should "own" product management? To whom should the product manager report?

**A:** "Most successful companies have VP product management who reports to the CEO or COO or VP marketing," Corrigan says.

**Q:** Why not R&D?

**A:** "Don't put it in engineering. You'll end up developing an ivory tower complex. When the development group controls product management, you tend to lose customer focus, and you start drinking your own Kool Aid®."

"Engineers tend to get too inwardly focused, rather than customer focused," Corrigan says. "Engineers are very good at building, at sticking to schedules, at drilling deep into the details. But if R&D owns product management, you'll get an inside-out view; if it comes through the CEO or marketing, you'll get a customer's perspective."

**Q:** Then why not put the position in Marketing?

**A:** "Well, engineering types don't often have the listening skills required, but pure marketing types don't have the ability to establish what's practical," Corrigan says.

**Q:** Let's say I want to hire a product manager; where should I look?

**A:** "There are two places," Corrigan says. "Many good product managers come out of a traditional sales engineering role. They've been out talking to customers, working with customers, most of their lives; that's where I came from, in fact. Often, those people have the technical wherewithal and the customer skills, but they may not have the discipline to focus on a set of deliverables."

"Second, I'd look at people who are coming out of an engineering role within a professional services organization. They likely understand the technology, but usually have a lot more interest about what's happening in the industry in general."

It's unlikely you'll find a great product manager who came from a marketing background, Corrigan says. "Those people usually don't have the technical depth that's necessary to be a good product manager. First, they lack that curiosity that drives them to play with a product, to figure out what makes it work. And second, they don't have the credibility with the engineers. It's sort of like the Venus and Mars thing—engineers are from one planet, and marketing is from another."

But, lest you think Corrigan just has it in for marketers, he says it's just as much a long shot that you'll turn one of your

developers into a successful product manager. "It's going to be a very, very gifted engineer," he says. "Most good product managers have come from a consulting background, or a sales engineering background—they have been implementing. It's highly unlikely you'll pull someone right out of Development and put them in this role."

Regardless of their background, Corrigan says it's vital that they can verbalize well, and use multiple modes of communication. "You have to be able to cut left, cut right, and run right up the middle," he says. "You also have to be the ultimate evangelist for your product."

"A product manager needs to be a technical person who is the ultimate communicator. He needs to gather information from customers, from analysts, VARs, and employees, then coalesce it into a vision and a product plan that's deliverable."

Much of this is personality type, Corrigan says. "You want someone who is a good listener. Somebody who is inquisitive and wants to solve the customer's problem—as opposed to someone who says, 'I have a new widget and isn't it cool?'"

**Q:** What's the overlap between product management and product marketing?

**A:** "Marketing is often looking at branding, how to capture mindshare—you're spending a lot of time with analysts and the press," Corrigan says. "You're looking at the best way to phrase this, to couch this issue. Product management is defining what a product could and



should be. It's very hard to do both—most people tend to gravitate one way or another. I think they can report into the same organization, but not to each other—it's good to have the two separate disciplines.”

**Q:** How does the product manager get customer feedback? How do you go about contacting them?

**A:** “You get very close to the people who are close to your customers—you become the sales people's best friend,” Corrigan says. “The product manager needs to proactively engage the direct sales channel and the resellers, so if it's the ugliest, most gnarly situation, they'll call you into it.”

“The other thing you need to do is get on a plane and go out and deal with customers eyeball to eyeball—especially when they're complaining. Set the expectations correctly: If your product isn't working as advertised, then yes, tell them you're going to fix that problem.

“But if it's enhancement territory, you need to be upfront—tell them you're in it for the long haul, and you will look at their requests and do whatever we can. I'll tell the customer, ‘I will fix bugs, I'll communicate your needs, I'll elevate your most serious requests—and I'll communicate that back to you. I can't guarantee you're going to get this feature, but I will get it into a queue, and I will let you know where it stands.’ You must build credibility over time.”

**Q:** What happens when an overeager sales rep promises the moon?

**A:** “I have worked out plans with sales management to explain why that's damaging over the long haul,” Corrigan says. “We've actually have put discouragements into sales compensation plans, to show reps that ultimately they are the ones who will pay the price because they have to look the customer in the eye.”

**Q:** At what point should you hire a product manager? Is it a function of size or number of products or something else?

**A:** “It depends on the dynamics of the team, but you do need that product management role filled first,” Corrigan says. “But the thing is, in a small company the product manager is oftentimes the CEO—they become the person who defines the product, they direct engineers, and so on. In a small company, you can get away with that.

“But if your CEO comes from a sales background, one of your first hires needs to be the product manager. Too many software companies wait until after the fact—after product release—to realize the product was never defined to meet market requirements. Maybe along the line it got off track because no one was tracking deliverables other than the engineering team, or maybe they missed it altogether after a great initial idea.

“Either way, it's a huge and very common reason that companies fail: The product plan is a mess. I've done consulting for companies where they have 50 customers and 50 versions of the product, and their code stream is a mess.”

**Q:** Okay, that's one example; what are some other tell-tale signs that you need a product manager?

**A:** Sign #1: Your engineers are spending more time out of the office than in. “It's often because they are doing the job the product manager should have been doing—either gathering data or evangelizing, because the marketing person doesn't have the depth to do it,” Corrigan says.

Sign #2: Sales is screaming for sales tools (and creating what they need on the fly). “Marketing can do the high-level stuff, but they can't do the technical demos, the technical white papers, the stuff that comes up during the course of the sale,” Corrigan says.

“So, you'll see your sales people wasting a lot of valuable sales time creating the tools they need—competitive sell-against sheets, FAQs, etc.—because they don't feel what they've got is effective.”

Sign #3: You look at product plans for the next two years, and you see you need an engineering team that's four times as large as what you have. Put another way: Your pipeline and sales forecast are predicated on features and products that are beyond your ability to build.

This happens for two reasons, Corrigan says: “First, sales doesn't understand the product—so they're selling futures. Second, you're not managing the process. Stuff is getting thrown at the engineers ‘unscrubbed’—usually from Sales. Everything is important, everything is urgent, and everything is a huge market opportunity.”

**Q:** What about the person managing the product manager? What are the most common CEO's/VP's mistakes?

**A:** Exec's mistake #1: Trying to force their own personal views on the product roadmap. “I had a CEO once who, I swear, had attention deficit disorder,” Corrigan says. “We had a well-defined, well-thought-out roadmap, and he would read something in Red Herring magazine about a successful IPO and say, ‘Why aren't we doing that?’ He'd yank engineers off a project, and then realize too late it was something we never should have been pursuing.”

As an example of this type, Corrigan cites Steve Jobs. “He was, effectively, the product manager for Apple. He'd come out on stage at a big show and say we're going, to do this, and this, and this—and often it was the first time the engineers had heard anything about it.”

Exec's mistake #2: Assuming that the engineers will deliver the right product. “This is the opposite of the first mistake,” Corrigan says. “The product manager's boss needs to care about the roadmap, and needs to be engaged. Once a





# Free seminar!



## The Strategic Role of Product Management™

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

There is no fee to attend, but registration is required via our website:  
**[www.PragmaticMarketing.com](http://www.PragmaticMarketing.com)**

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.

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

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**MARKETING®**

quarter, I sit down with the senior management team to say here's where we're going, here's what needs to be done—just to keep the awareness high and the momentum going. As positive examples of how execs ought to treat product management, Corrigan thinks Philippe Kahn and Bill Gates stand out. "Gates is unbelievably talented in that regard," he says. "He can go toe to toe with any engineer with their project plan. He can walk into any cube and Gates will know about the technology and ask them challenging questions."

**Q:** But that sounds like mistake #1, we said; isn't that micromanagement?

**A:** "You don't want to tell them what to build, or to divert focus from the roadmap," Corrigan says. "The trick—and what Gates does so well—is to create just enough tension to make people always seek out the best solution—to think, as opposed to just doing what they feel comfortable with."

**Q:** Okay, let's look at the other side; what are the most common mistakes a software product manager is likely to make?

**A:** PM's mistake #1: Getting too entrenched on one side of the problem set. "This is by far the biggest danger," Corrigan says. "You either get too deep in the design, almost becoming an engineer, or you spend too much time on the outside and fail to bring that information in."

PM's mistake #2: Not taking time to document what you're doing. "Being a product manager is a very disciplined process," Corrigan says. "You need to gather all the information and document it, so that people can see where you are and so that others can reuse your work. Your work is—or should be—the genesis of the functional spec."

PM's mistake #3: Defining products rather than market requirements. "Engineers get really bored when they're just treated like code monkeys,"

Corrigan says. "You need to come in with a really clear set of requirements—the market needs these three pains to be solved—then engineering needs to respond with, 'we can solve that pain with these 10 features.'"

"Don't engineer the product for your developers; define the problem set in a complete enough way so that it can become an iterative process on both sides, drilling down to the definition."

PM's mistake #4: Not getting clear consensus at project milestones. "This has happened at almost every company I've been to," says Corrigan. "You're three months into the schedule, the engineers have built something, and the product manager or the customer says, 'No, that's not what we had in mind at all.'"

The fix, Corrigan says, is what he calls a product contract. "The contract gets all sides to agree that we're not going to deviate from this schedule. The product manager promises that engineering is not going to get yanked around with requests for nine other things during this process."

"With that contract in place, all the downstream activities can start much earlier: the sales tools, training and demos, research, the press and analyst tour. Most companies do that stuff way after the fact, and that's because there's ambiguity right up until three weeks before the code is frozen. That ambiguity slows the whole product-to-market process down."

**Q:** Where should aspiring product managers go to learn more?

**A:** "The training class I like the best is from Pragmatic Marketing—those guys are the best," Corrigan says.

"From a book perspective, I love the Geoffrey Moore books, because they encompass the big picture, and show you everything that happens if you don't do it right. [Among Moore's

titles: "Crossing the Chasm," "Inside the Tornado," and "Living on the Fault Line."]

"Another good one is Jerry Kaplan's 'Startup: A Silicon Valley Adventure'—it's kind of funny, because he's the best person in the universe he's ever met, but the stuff his company goes through is very interesting from a product management perspective."

"I also recommend 'High Stakes, No Prisoners' by Charles Ferguson—he's the guy who conceived and built FrontPage. He wrote a thesis at Harvard about how to bring that product to market, then went out and did it."

### *Note from SoftwareCEO:*

We didn't prompt Bill Corrigan to mention Pragmatic Marketing®, but we're glad that he did—and we agree that they're the best. That's why we recruited them to teach a class for our Software University online series: "The Role of the High Tech Product Manager," scheduled for October 9.



*A veteran of three startups, SoftwareCEO Inc. founder Bruce Hadley spent 20 years in software marketing, sales, and operations. One of those companies went public, and the other two were sold to much larger software firms. Before founding SoftwareCEO, an online resource for software executives and entrepreneurs, he was editor of one of the industry's leading news and research publications.*

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PAGE ONE FOR SOFTWARE EXECUTIVES



## Book Reviews

### The PC Is Not a Typewriter: A Style Manual for Creating Professional-Level Type on Your Personal Computer

by Robin Williams

Schools continue to teach typing incorrectly. In the 21st century, a world of proportional typefaces, you never use two spaces between sentences. You never underline words; underline means, "I can't make italics on this typewriter." The PC Is Not a Typewriter drills into kerning and fonts and is filled with many, many tips on creating professional documents using today's tools.



### The Non-Designer's Design Book by Robin Williams

Uh oh, now you're creating brochures and letterhead and other design projects. This design book shows various projects with before and after examples to illustrate the four key points of good design: contrast, repetition, alignment, and proximity.

### The Non-Designer's Web Book: An Easy Guide to Creating, Designing, and Posting Your Own Web Site

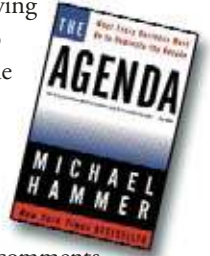
by Robin Williams

And now we're making web sites... again without design skills. Williams uses her common sense to show you how to create a professional-looking website.



### The Agenda by Michael Hammer

As the author of "Reengineering the Organization," Michael Hammer begins his new book by apologizing for the misuse of "reengineering." It was supposed to be about tightening processes and not about firing people. Hammer then introduces the nine planks of his new platform about becoming a better vendor by better serving customers. He implores us to look at the company from the customers' view, which he describes in the chapter called "Be ETDBW" (easy to do business with).



Revisiting reengineering, he comments that products generally get released due to individual heroics, despite the best efforts of the company to prevent the release. Doesn't that sound familiar? What businesses need is a repeatable method for success that relies on process rather than every success being a miracle. There will certainly be some quotes from this book that product managers will want to pass around the office.

## Ask the Expert

*I'm a product manager. My product marketing counterpart and I disagree over whether we should have a booth at an upcoming trade show. She says we have all the leads we need, but I think it's important to have a presence at the major shows.*

*What are your thoughts? I think there is value in terms of establishing mindshare.*

I love tradeshows! I think they are great for gathering information about the market, the competition, and the latest technology. But obviously your product marketing person has other ideas for creating awareness. And so, you're just going to have to trust that she knows the best way to generate awareness and leads. That's what she does.

I think it's best if you focus on product management and let your counterpart do the product marketing. You need to learn about the market and the competitive landscape; she needs to decide the best method to communicate the product message.

The best role for a product manager at a tradeshow is not to work in the booth, but to work the show. You may decide that you want to attend important trade shows even without a booth, as a venue for learning about the market. Check out the competition's demo, attend presentations by vendors and users, and most importantly, meet people who are not in your booth. The information you need in order to build better products can be found at a trade show; it just can't be found in your booth.



*Steve joined Pragmatic Marketing in 1996 after 18 years in software and hardware. Steve's background includes technical, sales and marketing management positions at software companies. His market-driven orientation allowed him to rise rapidly through the ranks from product manager, where he launched 22 product offerings, to vice president.*

email your questions to [ask@productmarketing.com](mailto:ask@productmarketing.com)

# The Market-Driven Certification

By Gabriel Steinhardt

## How it all began

Discussions about the need for a product marketing and management certification appeared a year ago in several of the online communities dedicated to product managers/marketers. Much of the talk centered on the lack of existing venues that would allow a person to validate his/her professional competency, or assess it in others. Indeed it became apparent that the product management profession had reached relative maturity and acceptance as an evolving art and science, but with limited subject matter consolidation and opportunities for certifying expertise.

It was further noted that product managers were always multi-disciplinary, and as such, titles and the associated responsibilities vary throughout the market; thus adding to the complexity of understanding the skill sets and abilities that people might possess. Many lamented there was simply no common way to evaluate product management professionals, and as a result, companies and organizations were employing different criteria, tests and interview styles in order to expose and/or qualify a candidate's or an employee's professional skill set.

Pragmatic Marketing, Inc., who has helped create many online discussion forums (a.k.a. local product management associations), was listening to those market voices. After all, they apply what they preach—being “market-driven.”

In response to the growing need and as part of its own continuing development, Pragmatic Marketing decided to embark on a lengthy project and develop a product management certification program. This was a clear business decision, as such a program could easily be based on the company's accumulated professional body of knowledge, and would be a natural extension of Pragmatic Marketing's reputable training programs.

The result was the new “Pragmatic Marketing Certified Practitioner” (PMCP) certification program which finally provides product managers/marketers with a designation to differentiate themselves, validate skills, gain professional acknowledgment, and demonstrate a commitment to the product management or product marketing professions.

## Building a certification program

Building a true vendor-neutral product management certification is a colossal, if not impossible, task. There are many varied product management styles being practiced by individuals and various corporations. Not being an exact science, it would be time consuming and not particularly useful to gather all known product management practices and test candidates on every aspect of the product management discipline. However, it is possible and very practical to teach and test individuals on a defined set of best practices and proven methods of performing specific tasks in product management. This is the essence of the PMCP certification program and also its core value.

With the premise of examining individuals on verified methodologies, the PMCP program was built from the ground up with the intent to test an individual on the level of knowledge he/she has regarding a defined set of best practices and proven methods of performing specific tasks in product management, as taught by Pragmatic Marketing.

Every certification program needs to fit its audience, industry, and the challenges that await certified candidates in their ongoing job tasks. Following a thorough analysis, Pragmatic Marketing reached a decision to design the PMCP program as a high-stakes certification program with an intermediate rating of difficulty.

High-stakes certifications are regarded as personal achievements that impact the certification candidate's career and the effectiveness of the organizations that employ or use those individuals. In addition, high-stakes certifications are classified as those that require passing a proctored examination at an authorized testing center.

After deciding upon the above objectives, a team of SMEs (Subject Matter Experts) was assembled to begin test development—a long, systematic and very methodical process designed to ensure test validity (same content is taught and tested) and reliability (certified individuals should be able to apply the knowledge at their workplace).

There were no major integration needs since the certification program and seminar's curriculum was fully integrated "by-design."

## Being certified has its value

Being certified is really about investing in one's self. It's the type of non-tangible investment that demands much effort but yields a host of returns in both the short and long term.

The whole notion of certifying high-tech professionals began at Novell® during its heyday in the late 80's. The burden placed on Novell's technical support staff by network administrators seeking help, was overwhelming. To counter the mounting pressure, Novell embarked on an education and certification

program designed to produce competent network administrators who would be designated as CNEs (Certified Network Engineers), and thus a new industry was born. Many were to follow suit and major corporations such as Microsoft®, Oracle®, Cisco® and others soon had their own certification programs.

The benefit of certifying employees quickly became obvious to employers. For companies, it meant a key element of differentiation in an increasingly competitive world and a very strong marketing tool that customers trust. On the performance side, employers noted that certified employees demonstrate higher productivity and provide better service. This was a major revelation and a driver for recruiters and human resource managers to include certifications as an occupational requirement in job descriptions.

Certified individuals have also directly experienced the benefits of being certified. In the 2002 Global IT Training and Certification Study conducted by several sponsors and Prometric (a testing and assessment services company), 54% of certified respondents indicated they received some form of reward from their employer following successful completion of a certification. The breakdown was: 18% claimed a salary increase, 20% were entrusted with new responsibilities and 9% were promoted. Most assuring was the fact that 32% of candidates surveyed and 34% of already certified respondents cited *credibility* as the top reason to seek certification.

The PMCP certification program is perfectly aligned with that top reason (*credibility*), relative to product marketing and management professionals.

Pragmatic Marketing, who is focused entirely on technology and has trained over 22,000 high-tech product managers/marketers, is finally in a position to offer a credible certification based on curriculum content that has been time-tested and continuously enhanced during the full decade the company has been in business.

In addition, the PMCP program was designed, developed, and administered entirely by third party organizations. Pragmatic Marketing's role has been to shoulder all the expenses including legal, development, operational, and promotional expenses.

Pragmatic Marketing will receive absolutely no revenue from the certification program so it doesn't fit the typical "for profit" certification scenario. This approach qualifies the PMCP certification program as yet another example of Pragmatic Marketing altruistically contributing to the benefit of the product management community.

## The real world

Committing oneself to long hours of learning is not an easy task, but one that is never regretted. The challenge of staying focused and maintaining an effective study regime has swayed many from reaping the value in certifying their expertise.

However, it's quite simple to chase away the study and test preparation jitters. In her excellent book, "Get Certified and Get Ahead," Anne Martinez devotes a full chapter and discusses in detail various study techniques and study modes to improve content retention and understanding. She also addresses ways of leveraging your newfound certified status to gain maximum return on investment.

Many at all levels of the corporate hierarchy have come to realize the value of Pragmatic Marketing's product management methodologies and the inextricably linked benefits of becoming PMCP certified.

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Every certification program needs to fit its audience, industry, and the challenges that await certified candidates in their ongoing job tasks. Following a thorough analysis, Pragmatic Marketing reached a decision to design the PMCP program as a high-stakes certification program with an intermediate rating of difficulty.

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Dan, a California-based senior-level product manager with over 20 years of software industry experience, expressed his views on Pragmatic Marketing's training:

*"I took Pragmatic Marketing's Practical Product Management seminar in 2001. Barbara Nelson taught the seminar and it was one of the best seminars I had attended. I thought I understood the basics of marketing and product management after studying those topics in an MBA program, but the Practical Product Management seminar taught me much more. It opened my eyes to the complexities and simplicities of Product Marketing. The Practical Product Management Model for Success (grid) provides a clear picture on the product marketing framework from both the strategic and tactical perspectives. The model shows you what you need to focus on to be a successful product marketing manager."*

Daniel, a vice president of industry solutions and marketing with a leading eBusiness software vendor, described his personal motivators for attaining PMCP status:

*"For me it was obvious to proceed with the certification. From a professional point of view I think that the certification will give me somewhat of a "moral high ground" in debate. My company views Pragmatic Marketing as the fundamental marketing boot camp for this industry (software). Being certified, I think that I will be able to invoke a bit of extra credibility. Personally the certification will help me to demonstrate that I possess a disciplined approach to product management, which should help to open doors throughout my career."*

*My preparation has been simple. I recently took the Practical Product Management course and I have been studying my notes and the course materials. I am confident that this will prepare me for the exam."*

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With the new PMCP certification program, Pragmatic Marketing is able to offer the product manager/marketer a comprehensive solution for increasing productivity in the workplace and better chances for career advancement.

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## Conclusions

With the new PMCP certification program, Pragmatic Marketing is able to offer the product manager/marketer a comprehensive solution for increasing productivity in the workplace and better chances for career advancement.

The combined offering of Training and Certification provides product management professionals with a unique package that holds true complementary value. Pragmatic Marketing's seminars and certification allow professionals to acquire knowledge they need and prove they have retained it.

Companies always want to hire the best people available and now for the first time they have a tool that allows

them to instantly isolate product managers who have demonstrated a certain level of competence and commitment. The Pragmatic Marketing Certified Practitioner program is a tool they will be able to use and trust as it challenges product managers with questions that deal with real-world scenarios and problems.

Summing it up, Craig Stull, Pragmatic Marketing's President and CEO, was recently quoted as saying, "For a decade we've helped many companies invest in their product managers. Now we are helping product managers invest in themselves."

For additional information about the PMCP program, please visit <http://www.pragmaticmarketing.com/>

**pm.c**



*Gabriel Steinhardt is an independent product management consultant who pioneered and designed Pragmatic Marketing's PMCP certification program.*

*A marketing and information systems MBA with over a decade of experience in product management and marketing in the computer software and hardware industry, Gabriel has assumed diverse senior and director-level roles with major corporations and startups in marketing, product management and technical undertakings. For additional information, please visit <http://www.blackblot.com>*



# FeaturePlan<sup>TM</sup> Collaborative Server

Helping you create, plan and deliver market-driven releases of your products

*Please answer the following questions:*

- Can you gather **market input** from your customers and sales teams over the **web**?
- Is this information **organized** in a **reusable** fashion?
- Can you **automatically share and communicate** this data with everyone including development?
- Can you easily **prioritize** requirements based on market demand?
- Can you easily produce **instant MRD reports**?

*If you've answered "NO" to one or more questions above, we invite you to schedule a demo and see the power of FeaturePlan for yourself.*



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## Built by **Product Managers** for **Product Managers**

As a Product Manager, you're probably overwhelmed by features, ideas, product requirements and market intelligence data that's spread across a number of databases, applications and/or spreadsheets. Keeping this information organized and easily accessible can be a nightmare.

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Or visit our website at:

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# High-Tech Product Marketing Training

**Learn what  
every product  
manager  
needs to  
know**

**Build market-driven products by  
listening to the market**

The Practical Product Management course fully explores the role of technical product management, providing tools and a framework to help get products to market more efficiently. This comprehensive course offers real-world product management techniques—using software and hardware case studies from enterprise-level to desktop products and services.

Product marketing activities are analyzed in detail with tips for how to be effective at the strategic elements and how to manage multiple tactical activities. This seminar is a challenging program that emphasizes strategic product marketing and market-driven management. Every concept is designed to be actionable as soon as you return to the office.

The third day of the course drills down into the often-difficult process of articulating product requirements. Using concepts from the prior two days, students learn a straightforward method for creating product plans that product managers can write, developers readily embrace, and that result in solutions that the market wants to buy.

**Course designed for:**

Product managers or marketing managers and directors; marcom specialists and product developers. You should attend if you manage or contribute to aspects of product marketing and management.





# Practical Product Management™

## Days 1 – 2

### 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 review

### III. Quantitative Analysis

- Market sizing
- Sales analysis
- Product profitability
- Win/loss analysis

### IV. Strategic Planning

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

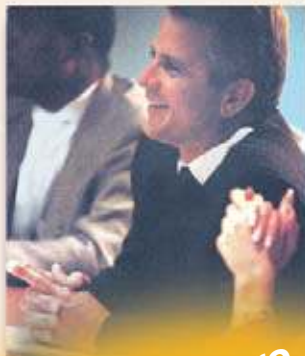
### V. Product Planning

- Product definition
- Positioning
- Sales process
- Roll-out 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



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Practical Product  
Management  
is for you?

Attend a **FREE** 1/2-day session.  
See back cover for details.

## 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
- Creating the Business Case

### 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

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**[www.PragmaticMarketing.com](http://www.PragmaticMarketing.com)**  
**to register!**

# The Pragmatic Marketing® Framework

Practical Product Management™ introduces a framework that gives product managers the tools to deliver market-driven products that people want to buy. It focuses on the practical aspects of juggling daily tactical demands of supporting the channel with strategic activities necessary to become expert on the market.

## Distinctive Competence

What are your unique abilities to offer superior value to a customer? Distinctive competence is why a customer does business with your company instead of one of your competitors.

Every business has a core capability that is unlike any other business—a distinctive competence. This distinctive competence holds the essence of the company's differentiation and provides guidance for decisions throughout the marketing process.

For some, distinctive competence is an excellent channel that truly knows the market and the product; for some, it is brilliant innovations that are deployed to solve market problems. Perhaps you have installed your domain expertise in your products and services. Maybe your distinctive competence is that you simply execute strategy better than anyone else.

What phrase is synonymous with your company name? Over time, successfully leveraging distinctive competence becomes the heart of your company brand. Distinctive competence must be leveraged in all aspects of product management and marketing, especially product definition and positioning.

## Competitive Review

*Does your distinctive competence ensure a competitive edge?*

Until you can describe your distinctive competence, you cannot differentiate your product from competitive offerings.

## Market Sizing

*Which markets value your distinctive competence?*

Only the leader in a market makes any real money; the rest squabble over the leader's scraps. Can you identify a market that values your distinctive competence? Is a leadership position possible? Is this market large enough to sustain your business?

STRATEGIC



## Innovation

*Leverage distinctive competence*

We should encourage innovation and innovative thinking. But the measure of success is not cleverness. Successful innovation solves market problems creatively in ways that leverage distinctive competence.

# A model for successful product management

Watch for future issues of *productmarketing.com* as we continue to highlight and further explore the framework.

## Buy, Build, Partner

*Build only to distinctive competence*

How does one know when it's appropriate to build versus buy? And when should we seek partners instead? The answer: distinctive competence. You should always build to your distinctive competence, and either buy or partner for the rest.

## Positioning

*Communicate distinctive competence*

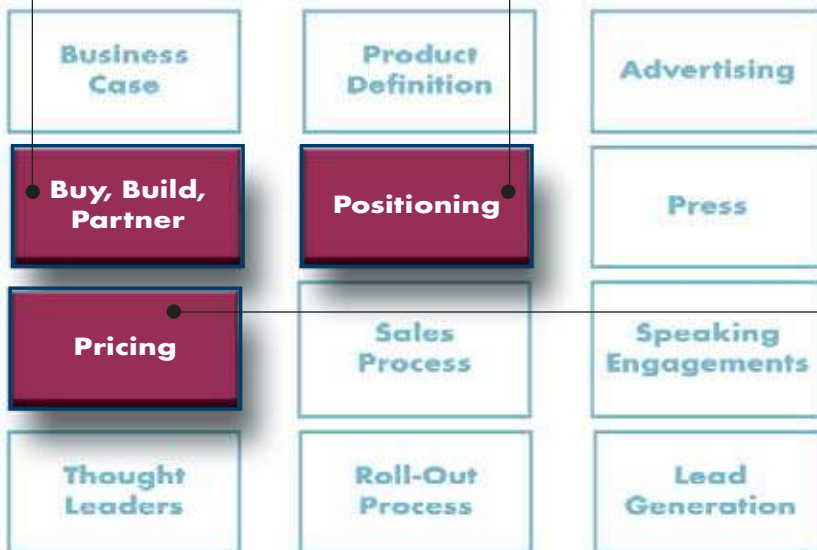
Positioning communicates your product message and should call out how your distinctive competence makes a difference to the buyer.

## Pricing

*Premium price your distinctive competence*

It's hard to charge more than your competitors for commodity products and features. But features that leverage your distinctive competence become unique in the market and command a higher price.

**TACTICAL**



### Strategic Planning

### Product Planning

### Promotional Communications

### Sales Tools

### Channel Support

#### Innovation

Product Contract

Presentation

White Papers

"Special" Calls

Requirements

Demonstration

Cost Justification

Seminars & Tradeshows

Release Milestones

Printed Collateral

News Flash

Corporate Visit

Electronic Collateral

Competitive Write-Up

Phone Support

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*This is the second part of a three-part series exploring how we listen to the market to become experts in what they need. The first article (featured in June 2003 issue) showed how product managers should listen to potential customers, the inactive members of our market who have not bought our products or our competitors' products (and are not looking). This second article discusses finding and listening to evaluators. The third article covers on-going communication with our existing customers. By listening to all three types, product managers become "experts on the market."*

Recent evaluators can make the truest assessment of our products. Having just evaluated the product against the competition, they can assess our company's strengths and weaknesses. Perhaps most importantly, from evaluators we can learn about problems with the product and also problems with the buying and selling process.

Listening to evaluators is different than listening to potential customers, but just as important. This is an activity that can be outsourced (but not to Sales—win/loss analysis is a marketing function). If Sales does win/loss analysis, they often won't get to the real issues. Often the buyer does not want to reveal the real reasons for fear that the sales person will try to overcome their objections and attempt to restart the selling process. But even if you outsource this to someone else, product managers should plan on doing at least one win/loss analysis interview personally every month.

## So where do we begin?

First we have to identify evaluators. Who are evaluators and how do we find them? Evaluators are those people in your market who have recognized they have a problem to solve and are actively looking for solutions to the problem. They are looking at your solution and at your competitors' solutions. This is the part of the market that your sales channel is most familiar with; they are active leads in the sales funnel. Finding evaluators depends on the type of sales channel you use. The more anonymous people are during the sales cycle, the more difficult it is to find them. Here are some tips to find evaluators, based on different sales channels:

### Type of Channel: Web

**How you find them...** Wins are easier to track on the web. You should require minimum contact information (name and email address is sufficient) when they buy your product or service. Losses are more difficult, but you might offer a free trial or limited service for which they must register on your site. If they don't buy after a period of time, follow-up and find out why. It is nearly impossible to track down those who never download or register with you at all. You may need to periodically conduct market research surveys where you tap into your market segment and find out if they have ever considered your products or services.



# Why Are We Winning

By Barbara Nelson

## Type of Channel: Value Added Reseller (VAR)

### Pipeline Reports

**How you find them...** Losses are hard to find out about, particularly if your sales staff did not assist the VAR on the deal. If your internal sales staff helps the channel on deals, you should track the deals through the sales cycle. Like pipeline reports with your direct sales channel, this provides wins and losses when an account drops off of the report.

If you don't assist your indirect channel with the sales process, try visiting some of your channel members and do win/loss analysis on a subset of their evaluators. Include both successful channel members and not so successful ones so you can analyze why some are more successful than others. It might be lack of sales sophistication, lack of focus on your product, lack of training, or any number of other things. Unless you know why they win or lose deals, you won't know how to improve the situation so they can have more wins.

## Type of Channel: Direct

### Pipeline Reports

**How you find them...** Buyers in the sales cycle disappear from the pipeline report when you win the deal, lose the deal, or when there is "no decision." Sales management should be able to provide you with this information.

### Sales Calls

**How you find them...** If the sales people are not cooperative in reporting wins and losses, do this: when you are asked to participate in a sales call, make it clear to them that you will be collecting business cards and will be doing win/loss analysis after the deal is won or lost. If this is the case, Sales and Marketing management should try to improve the situation—Sales and Marketing should have a cooperative relationship, not an adversarial one.

### New User Training

**How you find them...** Go to a new user training class. Recent "wins" will be there. Collect business cards to follow-up with a win/loss interview later.

If you are part of a large organization with multiple products and solutions in a complex sale, it is critical that win/loss analysis be coordinated. The evaluator should not get four phone calls from four different product managers asking for the same information. "Don't you guys talk to one another?"



# Why Are We Losing?

## Generally, we want to know:

- Why are we winning?
- Why are we losing?

## Specifically, we need to learn:

- How did they find out about you?
- Who did they listen to for advice during the buying process?
- Were your communications clear?
- Were there any breakdowns during the sales cycle? What were they?
- What is the competition doing right? Are they winning because they have a better product or service? Or is it because they are outselling us?
- Do you have the right technology, the right product, the right services to solve the evaluator's problem?
- What problem were they trying to solve with your product or service?

## Why Are We Winning and Why Are We Losing?

### What are we trying to learn?

Typically, companies believe they "listen" to evaluators during the sales cycle. But more often, they react to individual deals. "If you put feature A in the product, I can win the deal." Or, "I could have won the deal if we'd had feature A in the product." The sales rep then says, "Put feature A in the product."

Sometimes, the right thing to do is put feature A in the product. But sometimes, feature A is put in the product for a market of one, not a market of many. It is a reactive process, not a proactive process.

Rather than reacting to individual deals and potentially squandering precious resources solving a problem that one customer has versus solving problems a whole market segment has, win/loss analysis can provide information to validate (among many evaluators) what we're doing right and what we're doing wrong. Why are we winning and why are we losing? This type of analysis helps us strengthen (and institutionalize) what we do right and correct what we're doing wrong. Many times, the reason companies lose business is not because of the product, but because of a flaw in the sales process. And yet when they react to lost business, they usually throw more features into the product rather than fix the process. Win/loss analysis looks at the whole picture: product, services, price, evaluation process, sales channel, collateral, competition, technical expertise, and interaction with the company.

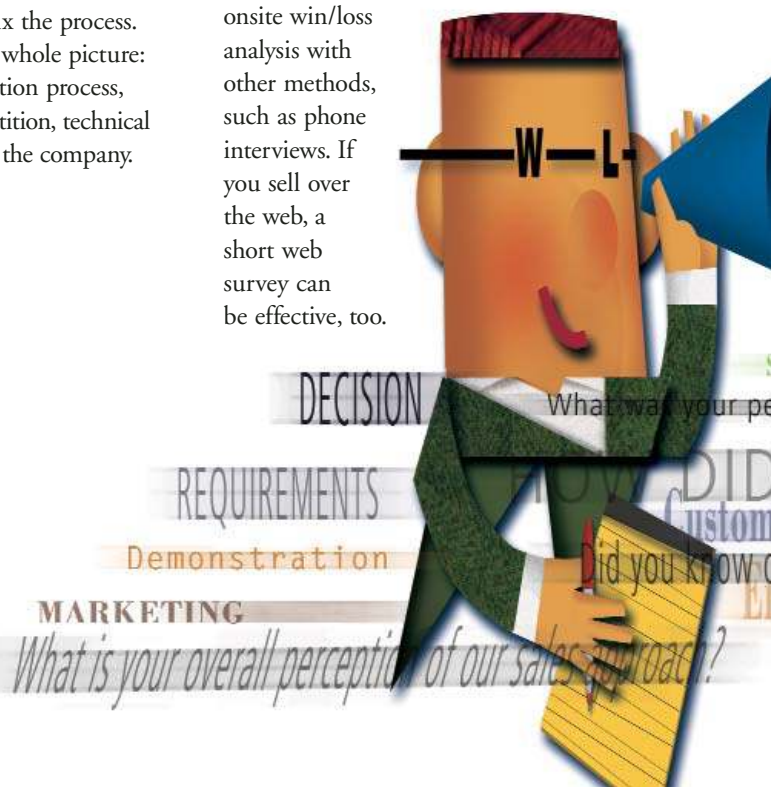
### When do we listen?

Win/loss analysis should be performed when the deal is completely closed. Either the competition or we have solidly won the deal (the contract is signed, the ink is dry, and the check has cleared the bank). If we do this too early (and we were winning), it is possible we might raise some questions in the buyer's mind that causes us to lose the deal (Product Management will be blamed, even if it wasn't our fault).

If we do this too long after the deal is closed, the buyer's memory will fade. We are trying to measure what happened during the sales cycle, and if they are too deep into implementation and use of the product, their answers will reflect their current views, not what they were thinking during the buying process. In general, a win/loss call should occur two to four weeks after the deal is concluded.

### Where do we listen?

Visiting evaluators onsite in their natural habitat is by far the best scenario. You will learn things onsite that you will never learn in other settings, particularly details about the competition. However, it is sometimes impractical (or difficult to get permission) to do this for every win or loss. Augment onsite win/loss analysis with other methods, such as phone interviews. If you sell over the web, a short web survey can be effective, too.





## How do we listen?

Although product managers should do at least one win/loss report per month, the rest of these can be outsourced (as long as you read every report and analyze what you learn). Sometimes an objective third-party will be more successful uncovering the reasons we win and lose because the buyer trusts that they are not trying to re-open the deal.

## Here are ten tips on listening to evaluators:

1. Make sure the evaluator knows you are not trying to save the deal (if you lost). Maintain this integrity by not passing the deal back to Sales if you lost due to something that can be fixed. Learn from it and move on.
2. Develop a questionnaire that includes both closed-ended questions (multiple choice, rankings, yes/no) and open-ended questions.
3. Ask if you can record the conversation. If the evaluator agrees, you can go back and review the conversation not only for content, but also inflections and tone.
4. If the reason the evaluator says they went with the competition is price, follow-up later to really understand this. Was it because the sales person wasn't able to clearly articulate the difference in value between your solution and the competitor's? Was it because the buyer didn't need the additional value you provided for the premium price? Or is your price really too high?
5. If the reason you lost is the salesperson, drill down on this. It might not be because the salesperson is incompetent. It might be lack of credibility, which might be the result of lack of training on the product or the industry. It might be because the salesperson needs coaching in uncovering the buyer's needs.
6. Listen! Your job is not to re-open the sales deal if the buyer went with the competition. Your purpose is to learn why. If the buyer says they went with the competition because you don't have feature X (and it is your best feature!), you simply need to listen. Something clearly went wrong in the sales process for them to have this perception.
7. Plan on a 15-minute interview. If you find the person is particularly open, ask if they'd be willing to participate in a longer, more in-depth interview at a time convenient to them.
8. Record all win/loss interviews in a database so you can share and analyze the information.
9. Use win/loss data to quantify features you need to add. Rather than simply reacting to a single data point from the last sales deal, analyze whether you are consistently losing business because you are lacking a key feature.
10. Always ask, "What problem did you think you were solving with this product or service?"

Win/loss analysis can give us data to validate the things we are doing correctly and insight into what isn't working. It is a more effective way to learn the strengths and weaknesses about the competition (not just about their products, but also about their sales expertise). In the absence of win/loss data, we typically react to anecdotes from the sales channel, which might reflect a market of one and not a market of many.

As a product manager, do at least one win/loss interview per month yourself. The market expertise and insights you will gain will far outweigh the time spent on the interview.

Stay tuned for Part 3 about Listening to Customers.

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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 to solving critical business issues.





# High-Tech Product Marketing Training

## Analyzing Market Opportunities™

### Build a compelling business case for your high-tech product

Analyzing Market Opportunities is a two-day course that illustrates how to properly listen to customers and prospects, evaluate their input, determine market opportunities for any high-tech product—and build a compelling business case.

The course includes a systematic, disciplined methodology to understand potential opportunities, accurately size the market, assess costs and evaluate risks.

A template is provided for compiling and presenting the business case. Also discussed is how and when to terminate an existing product.

#### Course designed for:

Those responsible for market analysis, quantitative analysis, strategic planning and business aspects of high-tech products.

#### I. Building Business Cases

- Why write business cases?
- Understanding the perspective of senior management
- Defining the essential elements of a business case
- How to get control of the situation as the CEO of your product

#### II. Market Sensing

- Gathering information from prospect and customer interviews
- Effective primary and secondary research tools
- Essential competitor information and where to get it

#### III. Opportunity Validation

- Target market segmenting
- Market sizing
- Positioning into the competitive landscape
- Market Adoption Cycle™ assessment

#### IV. Planning & Analysis

- Essential information sent and received from Development, Marcom, Sales and other internal areas
- Building the pricing plan
- Creating tactical plans
- Building the financial model, human resource and risk assessments
- International considerations

#### V. Selling the Plan

- Writing and editing the business case
- Laying the groundwork with the key decision-makers
- Presentation approaches

#### VI. The Product (or Project) Termination Decision

- Early warning signs
- Gathering facts
- Reasons to keep or terminate products/projects
- Evaluating alternatives



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## How to Conduct a Successful Webinar: *a presenter's view*

By Harold Frost

One of the hottest new ideas made possible by the internet is the webinar. A webinar is a presentation delivered and attended entirely over the web. The webinar makes a lot of sense for both presenter and attendee, particularly as traveling becomes more expensive and more difficult. The presenter can interact with people without leaving the office; attendees can attend from all over the world, getting access to presenters that would not normally come to their area. The presentation can also be played later for those who could not attend the live webinar.

It seems a webinar is the perfect venue for most formal presentations. Yet, something is missing. For all its high-tech convenience, a webinar lacks a human touch. I guess sometimes you just have to look someone in the eye, to see and hear responses, to make a human connection.

I recently gave a webinar presentation and made these notes about how to do them better in the future.

### Technology

For the presenter and attendee, the technology is very straightforward. Client software manages the slides and voice. All the server pieces are hidden from the participants so they can concentrate on the presentation.

To have a successful webinar, have everything loaded early. The presenter should have a walk-through a few days in advance to ensure the equipment and software are operating correctly together. The attendees should arrive a few minutes early to download and install the enabling client software.

I used a wireless LAN from my computer to a cable modem. Imagine my shock and disbelief when the LAN connection disappeared during the presentation! Luckily it reappeared quickly. The moderator had noticed my absence and filled the void until I got back to the presentation. So I guess I'll avoid using wireless connections in the future.

It's truly amazing to watch a webinar with someone who is extremely conversant in the client software. While talking, a good webinar presenter also points to areas of the screen, underlines key phrases, draws a graphic to illustrate the point.

I'm not much of a webinar presenter. Instead of focusing on speaking, I was overwhelmed with widgets. There are query tools and attendee notes, and drawing tools, and a list of the slides, and more. I've learned that I don't multi-task. While trying to find a certain graphical

tool, I would notice silence, and realize that the silence was from me—I was no longer speaking! Apparently, my brain shut down my verbal center while activating my motor skills. I suggest you have someone else run the client so you can focus on delivering the content.

### Have a Live Audience Anyway

Although webinar technology allows you to give a presentation to people all around the world from the privacy of your home, I suggest that you have a live audience anyway. What was missing for me was audience participation—feedback that my ideas were coming across. Was the presentation moving too slowly? Was I talking too quickly? Did my idea even make sense? With a live audience, you can sense body language—leaning forward or back, smiles and frowns, crossed arms—to adjust your presentation. The webinar client has tools to simulate this but it was yet another area of the distraction that took my mind away from my message.

Having a few friends in the room gives you a “live” audience. Smiles show the joke worked. Nodding indicates that your topic makes sense. Frowns mean you should explain again.

Because I was running the client software, I sat in front of the computer during the webinar but ultimately felt uncomfortable and constrained. Since I normally present while standing, in the future I will use a headset with a long cord and stand up. Just like a “real” presentation.

### Webinars Are Great

Despite being a few years old, webinars are still in their infancy. Wide adoption of broadband and live video should help. I initially used a dial-up connection when preparing for the webinar; I was amazed at how good voice over IP (VoIP) works even on a modem. Of course, video fails over a dial-up. Now that I have broadband, I'm experimenting with voice and video over the web. All I can say so far is, “It certainly isn't like in the movies!”

Webinars are great: they connect you with people you couldn't normally see. And since it's recorded, people can replay the webinar at a time more convenient for their schedules. However, a webinar cannot completely replace face-to-face interaction. In the end, most customer interaction means that you have to go visit somebody.

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# Change Now, Change Later

Why do corporate image and name identities die a slow death?

Globally speaking, every hour, around the clock, seven days a week, a major corporation is forced to change its name. Sometimes it's good news, when there is new adventure in the air. But at times, and often, it's very bad news, when a corporate name becomes a liability, a burden, injured in a trademark battle. When simply it is no longer capable of ringing the cash registers. Here are seven reasons why.

### 1. Your corporate name is identical or similar to thousands of others.

When a corporate name is heavily diluted and shared by hundreds and thousands of others in all kinds of businesses, then a name is simply lost in the crowd. Also, when a name is a borrowed word from a dictionary, making it a part of everyday lingo, it never achieves any distinction and despite extraordinary expenses in advertising and promotion, it simply dies out of exhaustion. Open any old business magazine and it will unfold like a cemetery of dead corporate names.

### 2. Your name is too old to convey today's dynamics.

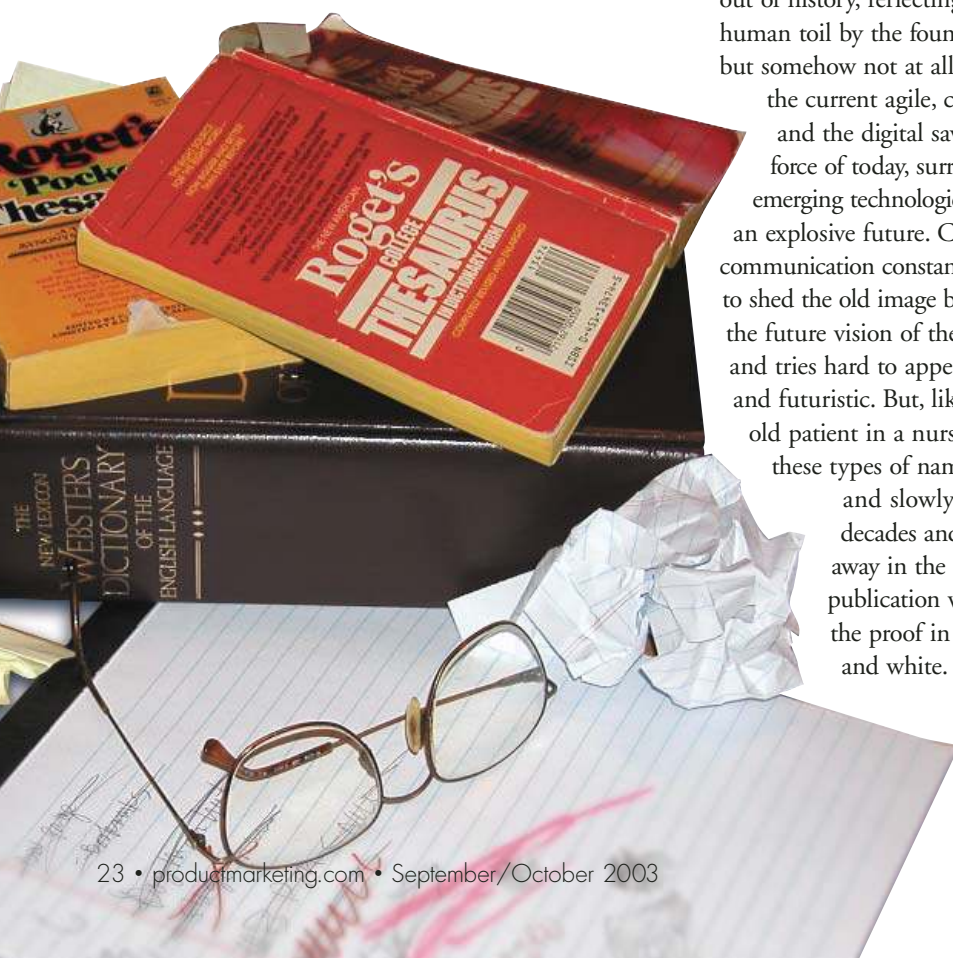
Established as a great icon of a period, sometimes a name crawls out of history, reflecting the great human toil by the founding fathers but somehow not at all suitable for the current agile, cybernauts and the digital savvy human force of today, surrounded with emerging technologies and facing an explosive future. Corporate communication constantly struggles to shed the old image by promoting the future vision of the company and tries hard to appear young and futuristic. But, like a grumpy old patient in a nursing home, these types of names struggle and slowly linger for decades and always fade away in the end. Any old publication will provide the proof in black and white.

### 3. The spelling of your corporate name requires a higher IQ.

A large majority of corporate names are spelled creatively to fit a logo or to avoid a serious trademark problem. Here, common sense and the science of corporate nomenclature are abused at the risk of being too sexy and different. This twisted spelling only ensures obscurity. The mind continually rejects the corruption of a familiar word and refuses to remember specific alpha-structures. After all, if a name can be spelled in four different ways, then you will only end up with 25% of the hits and profits. This type of creativity doesn't help. These sparks of geniuses end up kindling fires and eventually causing serious damage.

### 4. You spend more money explaining the origin of your corporate name.

If a name cannot simply relate to the business and requires constant explanation of its obscure, yet cute, origin and how it fits overall to the business, then it becomes a daily routine for advertising to educate the universe of this dysfunctionality. The poor consumer, the lost end-user, and the over-burdened population of the world at large, doesn't really care what the name means to you, rather simply what it means to them. Corporations and ad agencies thrive on getting awards for their creative efforts and advertising gimmicks for pushing their side of the story, while the consumer simply shuts off.



## 5. You do not own a trademark with an identical dot-com.

If you do not legally own a corporate name then what's the point of the exercise? Why bother at all? Every time your name is advertised it simply helps the industry at large and your competitors. Also, you don't build any brand values and equities and your entire advertising and marketing dollar is wasted. A large majority of corporate names in business today are not globally trademarkable and most do not have an identical dot-com domain.

## 6. Your name is embarrassing in certain countries.

Globalization is a fact of life. A name must work like a marketing weapon, not only in your own country but also around the globe. There is no need to hide under the desk because the name is embarrassing or profane in a foreign language. A large majority of names today do not work efficiently on the international scene and cause an ongoing stress in gaining international recognition.

## 7. Name is too long, too difficult, too complicated or too boring.

When a name is too long it gets initialized. This unwanted process changes the entire meaning and lists the name in strange categories. When a name is too difficult, confusing or boring it becomes a different animal to different people. Strange name combinations, due to M&A, end up telling more than one story and causes confusion in the marketplace. Weird terminologies, alphanumeric structures, using upper or lower cases, dashes or slashes and other dingbat characters in a name will only ensure self-destruction.

If you already have a world-class, unique, powerful, globally trademarkable name which is highly related to your specific business and it also has an identical dot-com, congratulations—you can stop here. No need to go further. It's champagne time. If not, you should seriously consider changing it fast, the sooner the better. Just remember, no amount of money spent will be able to save the name in the long run.

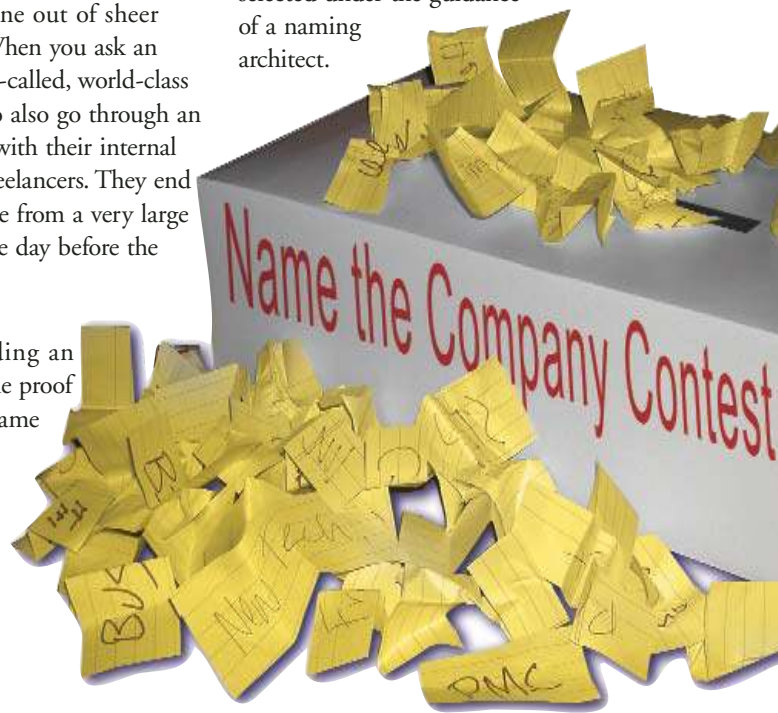
## Eeny-Meeny-Miny-Mo, Catch a Name by the Toe

Never, never, pick a name out of a hat. It's a bad thing. If your naming challenge is simply based on a hit or miss process, then you are definitely not going forward. Remember, picking names out of a hat can also happen more than once: 1) When you and your staff pool up a large list of names and pick one out of sheer desperation. 2) When you ask an ad agency or a, so-called, world-class identity firm, who also go through an identical exercise with their internal staff or creative freelancers. They end up picking a name from a very large hat—normally, the day before the press conference.

Are you still holding an old magazine? The proof of embarrassing name announcements covers most centerfold ads.

## Myths, Facts and Rules

"We are out of names" is only a myth successfully established by advertising and logo shops. Thus leaving the clients with strange, weird, and often silly, names. Contrary to belief, there is no shortage of unique, powerful, one-of-a-kind, trademarkable, corporate names. What is short is successful, proven methodologies and highly reputable professionals with successful track records. So therefore, what you need is a professionally-executed naming strategy, guided by a Masters of Naming Architect. Ask your agency if they can produce such a professional with a track record, otherwise they are only picking names out of a hat. Naming is a serious black and white exercise and it should never be confused with color, design, logos and branding campaigns, which only become important after a name has been selected under the guidance of a naming architect.



## Corporate Image & Trustworthiness

### How to re-gain customers and shareholders confidence

Corporate image-makers and brand agencies have only hurt themselves by ignoring the correct methodologies required for proper naming. Agencies asking sub-contractors to hire freelancers to do their brainstorming and run focus groups, or exercises to pool 5,000 names over five months for few millions to come up with PHOOFFS, are finished. Extreme exercises with executives locked up in a boardroom, in the dark, each with a flashlight, making letter signs to form words while the other half tried to decipher, are lost in the darkness along with their OINGA BOINGA names.

If this is the end of logo design, then what is the future for Corporate Identity Services? This offers a great leadership opportunity for providing well-executed name identity, under the guidance of Masters of Naming Architects. After all, there never was a shortage of great names, just lack of expertise and wisdom.

## Seven Remedies from the Brand New Laws of Corporate & Name Identity Image

1. Respect: A name must have an alpha-character to qualify and gain respect—a face of honesty, integrity, reliability and credibility. No room for “PurpleFrog” “PinkRhino,” “Globe-a-Con” or “Tomorrow Inc.” Sobriety must prevail because corporate names are not beer commercials.

2. ONE Face, ONE Name: Stand up with a happy, healthy face. Don't try too many masks and transmit multiple personalities. This can seriously blur the image. Advertising is wasted in harnessing a common mind share. Is the name selling accounting or space navigation, computers or distilled water? Honest names are truly honest about what they do.

3. Current Status: If you think you're on top of the world, then show it with your name. Old-fashioned names will not attract customer's attention to your ongoing evolutions. Glories of the past often lose their value with the changing times. Face cyber-branding realities of tomorrow's global e-commerce.

4. Become A Star: Have a star quality in your brand name. Its alpha-structure should be bright, clear and shiny. Don't educate the universe on how to spell, pronounce or remember a weird spelling or obscure origin of a blunt, klutzy name. No need to be a matchstick when it can be a flashlight.

5. Freedom To Travel: Spread your wings and fly away. Wander country to country with your name-identity and explore global opportunities. No room for difficulties of global translations, connotations, secondary meanings, foreign obscenities, pronunciations and all other language issues. Today, marketing is ONLY global, BURN all the other books that say otherwise. Think locally, but name universally.

6. Pride & Joy: Be a leader. Set an example. Take pride. Introduce it globally with full confidence. Why the embarrassment? It's not stolen, or is it? Watch competitors struggle with confusion, dysfunctionalities and embarrassing naming stories. Shine where others hide.

7. Rightful Ownership: If you own a corporation, why not its name? Today, 93% of corporations do not own a global trademark with an identical domain name. This is the easiest thing to do. Shortages of global names are only myths successfully established by design firms. Fix it immediately as there is no winning without a global trademark with an identical dot-com.

## In Summary

At this moment, there is a much bigger war of branding image going on out there. Corporations are fighting for global positioning while shareholders are frightened by the fake hoopla. For those genuine, honest and progressive corporations of the real economy armed with realistic goals, there are still a lot of opportunities to stay clear of these corrupt, polluted and damaged name identities. Seek out professional naming solutions to your marketing needs making sure that your names are on solid ground and can pass the acid test of trustworthiness.

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*Naseem Javed is a syndicated columnist, author of Naming for Power, Founder of ABC Namebank International, [www.abcnamebank.com](http://www.abcnamebank.com), and an expert on corporate naming issues. Naseem is a committed follower of sobriety in corporate and communication strategies and a harsh critic of the “beer commercial” mentality on naming and the influence of voodoo branding on our culture. A hilarious speaker, he has a powerful message on why Global Name Identities are on fire.*

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# High-Tech Product Marketing Training

## Requirements That Work™

**Create  
executable  
Market  
Requirements  
Documents that  
result in product  
solutions your  
potentials want**

Requirements That Work is an intensive one-day course that introduces a straight forward, repeatable method for creating easy to understand product plans that win.

This course teaches product managers how to write a Market Requirements Document that developers will read, understand and readily embrace. The result? Feature/benefits solutions your market will want to buy.

This training establishes clear roles for team members, teaches a process that creates an executable plan—and delivers solutions that sell.

### Course designed for:

Product managers and lead product developers. You should attend if you are responsible for defining and delivering high-tech products. Product managers get more from this course when trained simultaneously with their counterparts in Product Development.

### 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
- Creating the Business Case

### V. Getting (and Keeping) Commitments

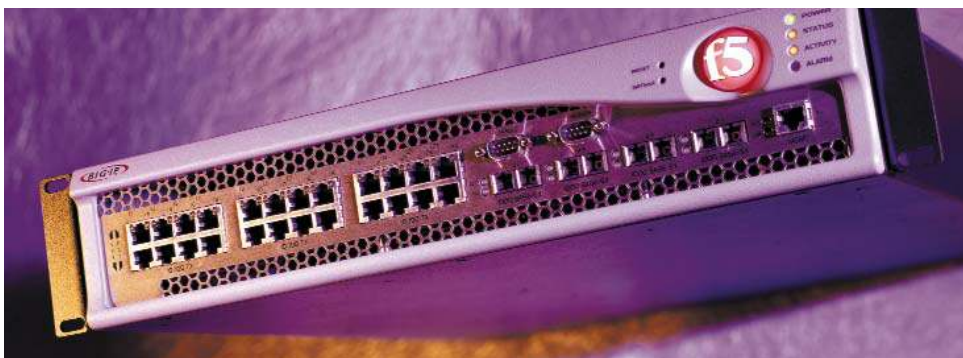
- Product contract
- Getting the product team in sync
- Getting executive support
- Communicating the plan in the company and in the market



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## F5 Networks Takes Market Insights to New Heights



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"We have dramatically improved our process for collecting customer requirements and our knowledge of what's going on in the market—with customers and prospects alike, even companies that evaluated our gear and chose not to purchase it."

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In the world of air traffic control, they call it "pushing tin"—rapidly guiding a vast array of aircraft into and out of airspace without a hitch. In the world of Internet traffic management, they call it F5 Networks. F5 Networks is the industry leader in Application Traffic Management, sending Internet traffic into and out of the best place at the best time. With the advent of Web services, the explosion of mobile computing, and increasingly unpredictable network environments, that job has never been more critical.

F5 manufactures intelligent, hardware-based application switches that enable enterprises and service providers to direct traffic over the Internet and deliver IP applications and Web services with high availability, performance, and security. Founded in 1996, F5 has grown to nearly 500 employees and \$110 million in revenue annually.

Because F5's approach to directing Internet traffic is breaking new ground and solving increasingly complex challenges, the company's product management team is on the frontlines of the industry, analyzing new market opportunities and gathering intelligence that will help the company build market-driven products. As a hardware company, F5 needs adequate lead-time to build those products and bring them to market. Consequently, the product management group must be able to accurately predict market trends and demands some 18 months or two years into the future.

According to Dan Matte, vice president of product marketing and management at F5 Networks, "We are, in effect, placing a bet far into the future about what the world will look like based on our research. The cost to change course is higher in a hardware or blended environment than in a pure software environment. From my perspective, having a sound methodology to help us gather information and predict market needs is absolutely critical."

### A Catalyst for Change

Trouble is, the product management team at F5—like most companies—was too bogged down in tactical chores to focus its resources on strategic marketing. "We spent too much time on sales support and demos, even wrote copy for our marketing

communications group,” remembers Matte. “We burned our cycles doing projects that other people in the organization were quite capable of doing. We didn’t pay enough attention to the strategic things that would matter most to the company over the long run—like analyzing our market or evaluating our sales pipeline to determine the impact of different positioning on product profitability.”

He continues, “We knew we had a problem. Like many things, admitting you have a problem is the first step. Our next step was to call in Pragmatic Marketing® for a highly-focused seminar on strategic product management. We needed a shot in the arm to get back into gear and work smart. Pragmatic was the catalyst to change our focus, and for us, that change was wildly successful.”

## Maximizing Customer and Prospect Interaction

In its product management seminars, Pragmatic Marketing offers a blueprint for strategic product marketing that focuses on communicating with target market segments in order to address high-value prospect problems. For F5, that course sparked a renewed emphasis on maximizing customer interaction. “We have dramatically improved our process for collecting customer requirements and our knowledge of what’s going on in the market—with

customers and prospects alike, even companies that evaluated our gear and chose not to purchase it,” says Matte. “We have always been good at visiting people, but we changed the back-end methodology in terms of what we do with the data we collect. Today, we are better at taking inputs and putting them in the ‘big blender’ to determine how to boost our revenue by doing what’s best for the market.”

F5’s customers have noticed the difference as well. “Our customers love the interaction they have with us, the opportunity to add their two cents to what happens with the products over the long term. We pick their brains about how they use our products and the new challenges they want to tackle and how we fit. Those interactions have been priceless,” he remarks. “Now we are in the process of spreading that net more widely around the globe, and we’re paying more attention to the opinions of people who are not yet F5 customers. Talking to more prospects has revealed an increasing percentage of people who are not highly network savvy, but are knowledgeable about Windows. In product management, we need to address that persona in order to enter new markets and capture those potential customers.”

## The Voice of the Market

As a result of those efforts, the product management team has taken on a leadership role within the organization. “When people at F5 want to find out what is happening in the industry and where we’re headed, product management is the first stop for information. They look to this group to provide guidance about the market—through requirements definition, positioning documents, personal interaction, and public speaking. When someone wants to hear the voice of the market, they come to the product management group.”

For Matte and his team, the most tangible difference from implementing the Pragmatic methodology comes from being able to point to actual, underlying data to support decisions. “For example, we can go to the development





# Case Study

team and say, 'For our Big-IP® product, 92 percent of the people prefer a graphical user interface,' he explains. "We now have concrete data to steer our products in the right direction."

Another example of the value of hard market data resulted from research about the company's iControl™ interface, a subscription-based traffic management service. Says Matte, "We discovered that while numerous people were downloading the tool, a relatively small percentage were actually implementing and using it. So we conducted a survey to identify the steps they went through and determine where we were losing people along the way. In that process, we identified two distinct drop-off points and focused our efforts to help customers get past them and begin utilizing the solution. When we presented to our executive team, rather than speaking in generalities, we were able to state exactly what was happening, why it was happening, and what we needed to do to fix it. That data made the story crystal clear for our executives."



He adds, "The ability to quantify what we are seeing has made a big impact internally. Beyond that, the team can now articulate what it is that the market is asking for in a way that makes sense to different audiences within the company. That is a huge win, because now everybody can use his or her own expertise to do the best job possible based on the information we provide."

## Making a Statement with Positioning

To communicate that market information, the product management group has created and distributed compelling positioning statements to various organizations throughout the company, including Development, Sales, and Marketing Communications. The impact of this solid data on time-to-market for effective products and sales tools has been profound.

Matte offers an example, "Our marcom team has done a wonderful job of using the positioning statements to drive entire ad campaigns. Previously, we spent a lot of time in meetings, lots of email back and forth, lots of iterations of ad copy. With clear, consistent market direction, our marcom team can run with it and produce high-impact campaigns, which they have done very well.

"That frees product marketing to evaluate different ways to target messages to different groups and assess what is most effective. As a result, we can target resources and budget toward the more effective programs and messages—and maximize our return on investment," he emphasizes.

The Pragmatic methodology has also strengthened the team's interaction with the development organization. "We have always had a good relationship with Development, and they trust our gut instincts," says Matte. "But without real market data to guide product direction, agreeing on releases takes a little more convincing. So customers might not see desired enhancements in the next version. Or a release might not be quite on the mark. With this market-focused approach, that doesn't happen. In fact, we included developers in the Pragmatic Marketing training, knowing it would be good to have more folks embrace this methodology. One of the developers who attended the session said, 'Thanks for including us in today's session. This was one of the most valuable seminars I've been to in five years, heads above other seminars. We should meet in the next month and plan how to enhance the next release.' That's pretty impressive."

## Strengthening Team Effectiveness

For Matte, the biggest impact of implementing the Pragmatic methodology has been increasing the overall effectiveness of his product management team. "If I were speaking as one manager to another, I would say with confidence, 'Follow the Pragmatic Marketing approach and become more effective.' For us, Pragmatic was the only solution. Among all the information that crosses your desk, you can always spot people who have been to a Pragmatic course. When you look in their offices, the seminar manual is on the desk and it's open. Or the grid is pinned to the wall. It's one of the few tools you refer to again and again. To me, that speaks volumes about the value of the program."

He concludes, "At the end of the day, the Pragmatic methodology helps both our top line and our bottom line. We can point to increased effectiveness in terms of how we spend our marketing dollars and manage the cost of goods sold. Ultimately, we can point to how we have increased revenues by entering new markets or addressing our existing markets more effectively. Those are all direct results from embracing the Pragmatic methodology."

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To feature the product management success at your company, contact [editor@productmarketing.com](mailto:editor@productmarketing.com)

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- Accountability for revenue and other goals

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- Attributes of successful messages
- What the sales channel really needs

### III. Program Strategy

- Strategy is science, not art
- Eliminate the "list" of activities
- Optimize program assets
- Achieve results stakeholders truly value

### IV. The Marketing Plan

- A business case for programs
- Correlate budget to measurable results
- Build consistent management support

### V. High-ROI Sales Tools

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- Move leads through sales pipeline
- Manage endless requests for new tools
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