

**December Event with author Geoffrey Moore
Dealing with Darwin:
How Great Companies Innovate at Every Phase of Their Evolution**

By Mahesh Ramachandran

SVPMA was excited to have renowned author Geoffrey Moore address the association, at its December 6th 2006 meeting, on how established companies can *manage* innovation to compete in an ever commoditizing marketplace. The speaker presented key ideas from his latest book – why innovation is an imperative in the new landscape, managing innovation as a focused investment, strategic choices in applying innovation, funding innovation, and managing people resources to perpetuate innovation.

Why innovation is an imperative in the new landscape

Global, low-cost competition has changed the dynamics of competition, rendering established business models vulnerable. This new Darwinian order imposes a stark choice for established companies: innovate to compete with highly differentiated offerings or accept diminished revenues and profits.

Managing innovation as a focused investment

The speaker contrasted between two innovation models: (a) “Bubble-up” – where business units innovate in a disconnected fashion and (b) the model favored by the new order

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**Writing the Case Study in
Three Simple Steps**

By Jonathan Kranz, Kranz Communications

Case studies are the written equivalent of the in-person demonstration, an opportunity to illustrate your product or service in action. The more complex or abstract your offer (attention all “solutions providers” out there) the more valuable your case studies become: their specificity has the power to cut through the fog of business rhetoric. Better yet, they allow your prospects to see themselves in your customers’ shoes, encouraging them to imagine what it would be like to enjoy the benefits of working with you.

You can think of the case study as a cross between the testimonial and the business article. Like the testimonial, the case study features a satisfied customer who “speaks” on your behalf. Like the article, it’s structured dramatically, with a clear beginning, middle and end that holds your audience’s attention through the tension of conflict and the anticipation of resolution.

In format, the case study is simplicity itself. Many are limited to just one page -- a brevity that makes them especially useful as trade show handouts, direct mail inserts, supplemental pages to Web sites, and as sales collateral that can be faxed to hot prospects. Most are conveniently divided into three or four labeled sections that telegraph the case study structure to readers, guid-

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Creating Compelling Product Roadmaps part 4

(continued from the November/December SVPMA newsletter)

By Brian Lawley

In the last issue we discussed how to prioritize requirements and how to organize them logically in your releases. To wrap up this series of articles we'll talk about how to use multiple types of roadmaps together and some additional best practices for roadmapping.

Using Multiple Types of Roadmaps Together

You may want to combine the different types of roadmaps to create a comprehensive overall story. For example, start with a visionary roadmap to show the societal trends. Then use a technology roadmap to paint a picture of the overall landscape and technologies you plan to leverage. From there create an inter-

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nal and external product roadmap. If you do this correctly it is a very effective way to show where your company is headed and why you are pursuing the chosen strategy.

Best Practices

Here are a few additional suggestions in terms of best practices for developing your roadmaps:

- Collaborate early with your team - include them every step of the way so they have a higher probability of buying in to the final result.
- Always use code names - you never know where your roadmaps will end up, and with codenames you can at least be assured that no one will know exactly which versions of the product you are describing.
- Release your results as uneditable PDF file - this will ensure that no one takes the master file and

makes changes that end up becoming promises to customers, partners or other constituents.

- Make internal roadmaps specific and external roadmaps more vague.
- Make sure you include International and minor releases on your roadmaps. ☘

Brian Lawley is the President of SVPMA and the 280 Group, which provides Marketing and Product Management Consulting and Contractors to help companies define, launch and market breakthrough new products. The 280 Group also sells the Product Roadmap Toolkit, which includes a narrated seminar, 75 roadmap templates and prioritization matrices - for more information see www.280group.com.

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November 2006 Event With Erin Hintz, Symantec Consumer Software Brand Management

By Srimi Namineni

Erin Hintz, Vice President of Global Consumer Marketing of Symantec Corporation, spoke at the November 1st SVPMA event. She articulated what a brand is, why branding matters and the role of marketing and product management teams in building a strong brand.

A brand provides differentiation and helps you get in the door. Strong brand also provides pricing power and preference in the market place because the brand has an enduring and distinctive meaning to their target audience.

Erin emphasized that there are many elements to a brand. Branding is more than visual elements such as logo or a name. It's more than features and quality of products. Other elements such as pricing, customer touch points, emotional benefits, corporate culture & values are all part of the brand. In essence, a brand represents an experience and promise delivered to customers.

Creation of a brand requires an end to end focus reinforcing the brand experience before, during and after a customer purchases a product. Thus the entire company contributes to what a brand is. She asserted that Marketing is the steward, but not the owner, of the brand.

As a steward, the marketing team is responsible for the following activities required to create and sustain a strong brand:

- 1. Customer segmentation:** Segmentation helps to focus resources on a group of people with similar needs and wants and maximizes efficiency around efforts to create product adoption and usage. It also helps in prioritizing product features. Symantec segments users into four groups: *Mature & Secure*, *Digital Families*, *Wired* and *Indifferent* based on attitudes, behaviors and demographics.
- 2. Positioning:** Positioning establishes the meaning and relevance of the brand in the minds of target market.
- 3. Messaging:** Consider all touch points from awareness to consideration, purchase, usage, maintenance/updates and all the way to repurchase. The experience and message at every customer touch point should reinforce the brand promise.
- 4. Packaging:** Create customer-centric packaging that is not only attractive, but is also assuring to customers that the company is the best one in its category.
- 5. Imagery and communications:** Create branding imagery and use it consistently in all communications with customers. For example, Erin said that Symantec brand imagery uses yellow in all the communications such as product packaging, advertisements, web sites etc...

Interacting with the brand: Create programs to interact with customers to take relationships to the next level. For instance, Symantec's interactive campaign with Sony called "Protect your secret" resulted in an opt-in rate of 20%, while a typical campaign's opt-in rate is less than 2%.

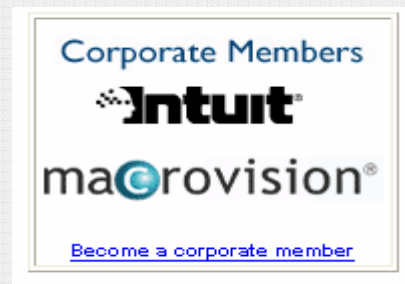
Through its focus on features, quality and differentiation of products, product management team also plays a critical role in building a strong brand.

Protecting a brand is as crucial as building the brand. You need to measure and monitor customer loyalty to your brand on a regular basis. It's tempting to extend brand as companies create new products. However, if the new products are not consistent with the target market, it is better to create a new brand. For instance, Disney was quite successful in extending their brand to include theme parks, cruise lines, Disney.com, TV stations. But, they appropriately employ a different brand (Touchstone brand) for their R-rated films. There are several examples of failed brand extensions such as Bic Perfumes, Harley Davidson wine coolers and Levi's tailored classic suits etc...

To sum it up, there are huge benefits to a strong brand. Marketing and product management teams can play a critical role in building as well as protecting a strong brand. ☘

As a Senior Product Marketing Manager, Srimi is responsible for strategy and planning of IBM's enterprise master data management software. He has over 15 years of industry experience in business intelligence, web applications and system management arenas. He can be reached at snamineni@us.ibm.com.

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The 7 Habits of Highly Effective Product Managers

By Alyssa Dver

Product management is the most contradicting of all professions. Product Managers (PMs) need to be product experts and perpetual students. They are accountable for the business with the limited tool of influence. They must be creative, articulate multimedia marketers, and yet able to speak technology, finance, and legal-ese. No wonder there are so few great Product Managers.

After 20 years researching and working with all types of Product Managers, it is evident what distinguishes a good Product Manager from a great one. Here I boil it down to 7 key attributes:

1. Great Product Managers know their product but also knows their own limits.

Obviously, a PM needs to know as much about the product as possible including the customers and their use of the product, the competition, the pricing, etc. This doesn't mean that the PM should know the details of the code or database schema. Nothing ticks off engineers like a know-it-all PM. Yes, the PM should be aware of the overall architecture, what language or toolkit was used, any standards supported, and interoperability requirements. However, leave the development details to the pros. A PM will be more respected for it.

2. A great Product Manager listens first.

A PM's job is to evangelize but the biggest failure in doing this is to assume too much about your audience. Engage and educate people by listening to them first. A great PM will find out specifically what their audience wants to know and the best way to deliver it.

3. Great Product Managers ask why, not what.

Great PMs know not to jump on every suggestion made for a product enhancement or pricing adjustment. They ask why the change is important before expending valuable time and resources. Only the answers to "why" can expose if there is already a less obvious solution or if there are other ways to address the opportunity.

4. Great Product Managers are decisive.

PMs must make decisions regularly and as such, they should be firm and ready to defend their decisions. Great PMs get data when it's available and if not, they acknowledge that it is the best decision under the cir-

cumstances. They also are prepared to change their decision if more information becomes available and the change is yet positive.

5. Great Product Managers are responsive.

Let people know that you aren't ignoring them. When unresponsive, people assume you are unorganized, pretentious, or incapable. Great PMs are conscientious about their own image and reputation as they are about their product's.

6. Great Product Managers communicate frequently, concretely, and concisely.

The hardest talent may be to say a lot with only a few words. A great way to do this is to use charts, graphs, and other pictorial representation of complex information. Another way is to spend time becoming a great writer and speaker. These are not natural gifts but rather practiced arts which when mastered, are the means to gain and sustain attention and credibility.

7. Great PMs manage passion.

Passion is critical and can't be faked. However, too much passion is annoying. Great PMs are enthusiastic but they don't lose an honest perspective that not everyone agrees that their baby is beautiful. Great PMs never lose their temper at a colleague or superior. They are the ever level-headed negotiators and influencers. Their opinions are strong but they also strive to obtain win-win. This is an art form as much as it is a personality trait but great PMs have the confidence to do the right thing and do it with style. ☘

*Alyssa Dver is the author of "Software Product Management Essentials" (www.swproductmanagement.com). She frequently writes for publications including *BusinessWeek*, *Forbes*, *Entrepreneur Magazine* and others. She is currently the CEO of *Wander Wear Inc.* (www.wander-wear.com), a company focused on preventing kids from getting lost.*

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ing them quickly to the happy ending. These labels go under any number of names, but for our purposes, I'll stick to three: Challenge, Solution, Result.

The Challenge: Setting up the problem and the stakes

Think of The Challenge as the first act in a three act opera: This is the place to set the scene, introduce the lead characters, and present the problem or challenge that puts your story in motion. Articulating the character and context is easy -- just state the facts: "Widgets, Inc. is a \$50M industrial design firm serving extrusion plastics concerns in the southern United States."

For the challenge itself, present both the problem to be solved (or the opportunity that may be reached) plus the stakes -- the reason why the problem or opportunity matters. It's not enough to say that Widgets, Inc. had an inefficient project management system. So what? You need to articulate the meaning of the challenge to the customer, whether it's a negative consequence to overcome, or a positive outcome that might be gained:

Negative: "Widgets CFO Lex Palmer estimates that the company lost approximately 25,000 man-hours a year -- or \$1,875,000 in wasted resources -- through the mismanagement of project-team time, talent and focus."

Positive: "According to Widgets engineer Rufus Manchester, a fifteen percent improvement in management efficiency would cut the average project time from six weeks to four, and lead to \$0.75M to \$1.25M in additional profits for the company."

The Solution: Putting your services on stage

In the middle or second act of your study, the Solution, you introduce the hero: The product or service your company provides that solves the customer's problem or helps them achieve their goals.

Here, your objective is to paint a picture, to illustrate the solution so graphically readers can "see" the evolving events in their imagination. Specificity is critical: Every detail you contribute makes the solution more tangible, more real. That's why a broad, vague assertion is insufficient:

"Widgets, Inc. deployed the ProjectMaster solution across its departments."

Instead, build the description piece by piece:

"First, the ProjectMaster team of workflow analysts, IT network developers, and systems engineers spent a week on-site analyzing Widgets' work processes. The team's subsequent report, reviewed by senior managers at Widgets, formed the basis for a new workflow design. ProjectMaster recommended a wireless networking infrastructure, new collaborative management software applications, and a set of specific policies -- tailored to Widgets' unique circumstances -- to reduce meeting times and streamline product development. After a one-month trial period with one Widgets department, ProjectMaster deployed the complete solution across the entire enterprise, and established regularly reporting protocols to monitor progress and make adjustments, as required."

The Result: Making the payoff

At this point, your case study should positively tremble with tension. The Challenge established a conflict between "what-is" and the desired "what-could-be." Then the Solution detailed a response to the Chal-

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lenge. Now every reader will want the payoff: Did the Solution work? And what change did it bring about?

The Result is, as its name suggests, an articulation of the results; your job is to present the consequences of the Solution. As you had in your description of the Solution, make the Result as specific and detailed as you can. If possible, quantify the results with numbers, perhaps with an amount of money saved (or earned), a percentage increase in productivity, or a dramatic reduction in time or waste.

But whenever possible, put the most important result in your client's words. If you can get permission to use a direct quote, use it -- it's the most credible source of information. A great Result quote might look like this:

"In just six months, we cut our average design-to-implementation time from six weeks to seventeen work days," says Bill Sharpton, Widgets COO. "With

ProjectMaster in place, we're on track to realize an additional \$1M in profits this year and an additional \$2M next year."

Do your homework and the writing will follow

As you can see, the case study is a simple format that packs a lot of punch in a small space. For maximum impact, invest most of your writing time in research -- gathering the facts and quotes you need to give your case immediacy and credibility. Once you have your basic information in front of you, the 3-step structure makes the writing itself fast and painless. ☘

Jonathan Kranz is the author of Writing Copy for Dummies, <http://kranzcom.com/book.html>, and the principal of Kranz Communications, <http://kranzcom.com>, a marketing communications and public relations writing firm specializing in B2B and consumer services marketing.

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– where innovation is deliberate and focused on achieving significant competitive differentiation along a *chosen* set of vectors. A firm must achieve a degree of differentiation, along the chosen vectors, that exceeds the norms of its competitors. Achieving such “separation” allows the firm to compete successfully and, conversely, failure to achieve such separation results in low or no returns.

Firms must distinguish between two types of processes: core – processes that enable or reinforce the chosen vector, and context – all other processes. Firms must manage core and context differently – core processes are managed to achieve the necessary separation, while context processes are managed for “good-enough” outcomes – for example, in improving productivity or neutralizing competition along other vectors.

Strategic choices in applying innovation

The choice of an innovation vector depends on the industry’s stage in the Category Maturity Lifecycle and its prevailing competitive forces – a different set of vectors are appropriate at each stage. The speaker gave examples of vectors in each stage and of firms that have successfully applied them:

- Technology Adoption Lifecycle and Growth Markets – Product Leadership: eBay (Disruptive Innovation), RIM (Application Innovation), AMD (Product Innovation), Google (Platform Innovation)
- Mature Market – Customer Intimacy: HP (Line Extension Innovation), Motorola (Enhancement Innovation), (Apple) Marketing Innovation, World of Warcraft (Experiential Innovation)
- Mature Market – Operational Excellence: CDW (Value Engineering Innovation), SAP (Integration Innovation), Dell (Process Innovation), IBM (Value Migration Innovation)

The speaker noted that innovation strategy entails conscious selection of a small numbers of vectors (ideally one) for core, managing core to outperform its competitors on the chosen vectors, and managing all other vectors as context.

Funding innovation

Established companies face challenges in funding core while sustaining context. The key is to fund core by repurposing resources freed up from context through

extracted efficiencies. The context is invariably amenable to increased efficiencies – the more mature the context, the more “coins in the couch”. Firms can optimize context and free up resources by applying a six-lever model, based on established process re-engineering principles: **Centralize** – to reduce overhead and simplify decision making, **Standardize** – reduce variability and variety, **Modularize** – standardize interfaces for future cost reductions, **Optimize** – eliminate redundant steps and streamline operations, **Instrument** – develop monitoring systems to manage performance, and **Outsource** – drive processes out of the enterprise to reduce costs.

Managing people resources to perpetuate innovation

In implementing innovation, firms can recycle their people resources through careful management – this revitalizes the workforce and enables the firm to perpetuate the innovation process. Firms should allocate people among the different phases of the innovation process – based on their predisposition to particular roles. The speaker distinguished between three distinct roles: (a) **Optimizers** – people adept at continually applying the six-levers to optimize the context, (b) **Deployers** – people skilled at transitioning new innovation from core to context and sustaining the context, (c) **Inventors** – people skilled at conceptualizing and incubating new core innovations. ☘

Mahesh Ramachandran is a Senior Product Manager at Hewlett Packard (HP), responsible for strategy, planning and marketing for virtualization software on HP servers. He has over 10 years of industry experience spanning virtualization, systems management, compilers and operating systems.

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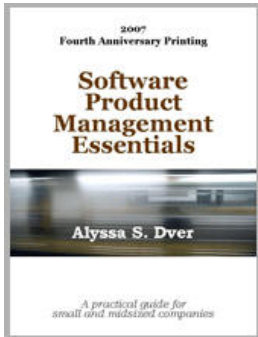
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BOOK REVIEW

Software Product Management Essentials: A practical guide for small and mid-sized companies

Review by Brian Lawley



The SVPMA first reviewed *Software Product Management Essentials* by Alyssa Dver back in September 2003. It is now in its fourth edition and one of the most popular books around for Product Managers who are looking to expand their skill set and knowledge of the field. If you

don't already have a copy you should purchase one - it is a "Must Read" for anyone in their first few years of Product Management. Given the lack of formal training that most Product Managers receive, it is an excellent resource for learning what you need in order to be successful.

The book covers the definition of Product Management, the development process, product delivery process and beta process. It also includes information on product launches, product marketing, pricing (this is a particularly good chapter) and considerations for taking your products to the worldwide markets.

New to this 2008 edition is "The 7 Habits of Highly-Effective Product Managers as well as information on Web 2.0, Blogs, Podcasts, WIKIS and Screencasts.

The appendices include samples of a Beta Test Agreement, Beta Test Plan, Beta Test Summary, BLIP (baseline integration plan), Non Disclosure Agreement (NDA), Product Business Plan (PBP). Product Delivery Team (PDT) Checklist, Product Delivery Team (PDT) Rules of Engagement, and Requirements Document. And all of these documents are available as templates that can be ordered with the book. ☘

Brian Lawley is the President of SVPMA and the 280 Group, which provides Marketing and Product Management Consulting and Contractors to help companies define, launch and market breakthrough new products. The 280 Group also sells the Product Roadmap Toolkit, which includes a narrated seminar, 75 roadmap templates and prioritization matrices - for more information see www.280group.com.

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