

**April 2007 Event with Rich Mironov, Mironov Consulting**

**Service-Model Thinking for Product-Model Folks: Are you a Grocer or a Chef?**

*By Laura Lowell*

On April 4<sup>th</sup>, attendees at the monthly SVPMA event were joined by Rich Mironov, self-proclaimed serial entrepreneur, consultant and product-guy. Rich spoke about SAAS or “software as a service”. Having spent time with each model, Rich was able to highlight specific distinctions between “service” marketing and “product” marketing.

Using a restaurant analogy, Rich equated service marketing with being a Chef – you are running a complex organization, focusing on the experience and end-user interactions. Product marketing, he said, is more like being a Grocer – you’re responsible for providing the ingredients, but the customer owns combining them in order to satisfy their users. Rich outlined four key service-model lessons that will help you be a Chef not a Grocer.

The first lesson is to **build a multi-tenant infrastructure**. According to Rich this includes things like personalized experience, “no excuses” availability and written help that is actually *helpful*. It also means developing and tracking new

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*...and more*

**Five Ways to Test Your Sales Messaging for Greatness**

*By Michael Cannon*

So you think you or your marketing team creates great sales messaging. Or, maybe you’re not happy with your current messaging, are unsure how best to improve it, or not certain how to constructively communicate with your team why you don’t feel right about the messaging.

You’re not alone. According to a recent poll by BtoB Magazine, 70% of the marketing people gave themselves a “D” or an “F” grade on how well they prepare and provide sales support messaging and materials.

Use these five tests listed below to make sure your sales messaging is great or use them as objective evaluation criteria in a discussion with your marketing team. The tests assume that you understand how sales messaging is different from other messaging types, that you know your buyer’s primary buying questions and that the sales messaging is appropriate for your product’s life cycle and sales cycle. For more information on these topics, read the free articles at <http://www.silverbulletgroup.com/resources.shtml>.

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# Top 10 Product Launch Mistakes - (Part 2)

By Brian Lawley

In the last issue we covered the first five launch mistakes. In this issue we finish up with the remaining five.

## Mistake #6: Driving Your Customers to Your Competition

To make sure that you don't drive customers to your competition it is critical that your product is widely available at launch so that customers will be able to find it and won't accidentally stumble across another alternative. It's also critical that you set the competitive argument in your positioning, messaging, packaging, collateral and anywhere else possible. Unless your competitors are completely unknown and there is no chance that customers will find them, you want to make sure you have the proof points and messages in

place to present your product as the best solution and the only logical choice.

## Mistake #7: Announcing Too Early

If you announce too early you risk several things:

1. You are playing your cards publicly, so any competitors can respond to you prior to your product becoming available.
2. The announcement may drive customers to investigate other options and purchase or become aware of your competition.

When your product does ship you may not be able to get any press coverage, as it is has already been announced and is old news.

It is tempting to want to announce products early for a number of reasons. First, you may have a great idea and you want to be able to share it with the world early on so that you get credit for coming up with it. Second, you may have a competitor who already has an offering and you are scared that they will grab all of the mindshare and leave you with no opportunity when your product is available.

Additionally, you may announce the product too early because your confidence level in your development schedules is too high. We typically assume that the launch is going to happen 30 days later than the planned date (until we get to the late beta stage). The assumption here is that it is better to be just a little bit late and execute an excellent product launch than it is to announce the product and not have it be available. Nothing is more frustrating than driving lots of customers to your website based on your announcement, only to have them never return again.

## Mistake #8: No Dedicated Review Program

Product reviews can be your greatest ally or your worst nightmare. Good reviews validate your product with an external reference point, and provide much more credibility than your own marketing or advertising ever could. Poor reviews, on the other hand, can stop a customer in their track during the purchase process.

The choice is whether you want to proactively manage the review program or reactively respond to it if there

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is a problem. Of course, if there is a problem it is usually too late. Even if a publication prints a retraction to clarify the facts, the majority of the people who read the bad review will never see it. They will believe your product is not a good product.

Few companies understand how much time and effort it takes to run a full-scale proactive product review program. However, if done correctly and properly resourced you can have a great deal of ability to influence the results. Going into full detail about how to run a product review program is beyond the scope of this article

There is some risk of communicating early. Your competitors may get wind of what you are doing. Your salespeople may stop focusing on selling the current product and sell futures instead. And if you miss your date by a substantial amount of time you may lose credibility for future launches.

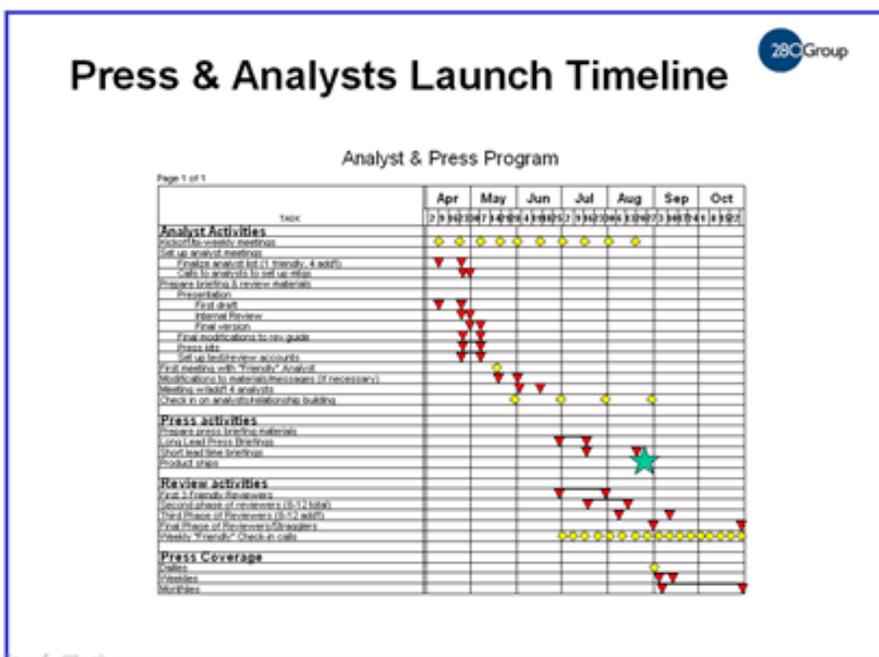
The biggest downsides of waiting are that it may delay your revenues and it also may minimize the synergy between your programs (it is ideal to have a wide variety of awareness and marketing programs hit all at once when the product becomes available.)

**Mistake #10: International is an afterthought**

Oftentimes the International market is a very significant revenue opportunity. Make sure you communicate to your International partners (or divisions in your company) early enough so that they can make plans accordingly. Also make sure that all of your launch materials (collateral, marketing pieces, packaging, etc.) is designed so that it can be leveraged Internationally. This could reduce the time required to generate International revenues by three to six months.

**Wrapping it up**

That concludes our article on the top 10 launch mistakes. If you'd like to learn more about how to plan and execute a successful product launch check out the 280 Group Product Launch Toolkit at [www.280group.com](http://www.280group.com), which includes a narrated presentation that teaches you how to plan and execute a high-impact product launch and also includes templates (launch plans, positioning, competitive matrices, presentations, etc.), guidelines and samples. ☞



**Timeline for an effective press, analyst and product review program**

**Mistake #9: Not Communicating Early Enough**

One mistake that can hamper launch success is if you fail to communicate to the key constituents early enough. For example, if you don't give you channel partners enough advance notice they may take quite a bit of time to work your new products into their plans. In a big company you may lose opportunities to leverage events, sales opportunities or marketing programs that other groups are running that you could have taken advantage of. And with press and analysts you want to brief them far in advance (see the timeline above) so that positive announcements, news and reviews about your product occur concurrent with product availability.

*Brian Lawley is the President of SVPMA and founder and President of the 280 Group, a Product Management and Product Marketing consulting firm that helps companies define, launch and market breakthrough new products. See [www.280group.com](http://www.280group.com) for additional details. SVPMA members can receive \$20 off the purchase of the 280 Group's Product Roadmap Toolkit™, Beta Program Toolkit™ Developer Program Toolkit™ or Product Launch Toolkit™. Copyright 2007, 280 Group LLC. All rights reserved.*

## March 2007 Event with Mark Hammitt, Crossbridge Consulting, LLC

### Writing a Killer Marketing Plan

By Laura Lowell

On March 7<sup>th</sup>, attendees at the monthly SVPMA event were fortunate enough to hear the wit and wisdom of Mark Hammit, founder of Crossbridge Consulting, LLC. Mark's talk focused on "how to get the authority to go along with your accountability" – definitely something the audience could identify with. He outlined the purpose of a marketing plan, the planning process and the key elements required for a "killer" marketing plan.

The purpose of a marketing plan, according to Mark, is to establish a Quid Pro Quo: "You give me certain resources; I'll deliver a corresponding revenue forecast." An underlying assumption in most marketing plans is that marketing has a direct effect on sales, otherwise why do it? However, Mark made the point that marketing doesn't do a forecast, sales does. And, when the budget gets cut (which is usually does) mar-

keting has less resources, but there is usually no corresponding change to the revenue targets.

So then, why write a marketing plan in the first place? It gets you the resources you need, establishes your credibility and puts you "in charge". Your name is on the plan therefore you must be in charge. From an organizational perspective it improves communication, execution and strategic thinking.

Before you start writing your plan, Mark suggested considering the following issues. First, understand the budgeting cycle and plan to have your marketing plan done just ahead of the next cycle - so you're at the head of the line, so to speak. Next, make sure that your boss knows where you're going and "slightly downplay expectations". Then, ask around and see if

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anyone else is working on a similar plan so that you can address an “entrenched incumbent” problem if one exists. Finally, understand your product’s role in the corporate strategy and position your product relative to a strategic initiative or other corporate priority.

After setting the context, Mark discussed the elements of a “killer” marketing plan and the average timeline and process for writing one.

- **Summary:** scope, funding request, targets and major issues & initiatives
- **Objectives:** review of performance, discussion of variance, forecast and other objectives
- **Context:** market, segments, customer base and competition
- **Overall Strategy:** target audiences, positioning, marketing strategies
- **Specific plans:** planned activities, risks and contingencies, timing, dependencies
- **Budget Summary**

On average writing a “killer” marketing plan should take between 3-4 weeks. The important thing to remember is that the plan is not written in the order of the outline (as explained above). The plan is written “out of order” starting with Context, Activities, and Strategy. Then some time is taken to test the plan with management before finishing the Dependencies, Risks/Timing and Objectives (yes, that’s right...the objectives come last).

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While “slogging” (Mark’s word, not mine) through the different topics, Mark made a number of salient points which bear repeating:

- Keep the context focused and relevant as you will refer back to this section over time for historical comparisons
- When developing the strategy, take a step back and use the context and specific activities to inform the strategy.
- Identifying dependencies is about socializing the plan and getting buy-in. Keep it informal. Use simple emails to confirm commitments and ask for budget that will benefit both groups.
- When looking at timing, don’t put all of your activities in Q4 – that’s when budgets are more likely to be cut. Look for opportunities to stagger invest-

ments over multiple quarters.

To ensure survival of the plan, leverage a highly placed ally to keep your plan in front of the people that make the decisions. Then broadly distribute a “sanitized” version of the plan to appropriate groups in the organization. The more people that know about, the more likely it is to get the attention it deserves. ☘

*Laura Lowell is the principal of [Impact Marketing Group](http://ImpactMarketingGroup.com), a marketing agency offering strategic and tactical marketing services for new and growing companies. With more than 17 years of marketing experience, Laura has launched new products and businesses, turned around problem brands, and had a really good time doing it. Laura is the author of “Start Up Marketing” available in September 2007. She can be reached at [laura@impact-mg.com](mailto:laura@impact-mg.com).*



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kinds of service metrics including: uptime SLA, response time, system capacity, support escalations, reporting, etc. Rich pointed out, and the audience agreed, that many of the Operations Teams today don't have the skill sets to provide this type of data.

Rich went on to the second lesson: **expect slower, incremental sales**. In a SAAS model it is true that initial subscribers sign up more quickly, but, the revenue ramp is slower. This means that you need to up-sell premium features to more users. It also marks the end of "shelfware" since in a SAAS model it is not about licenses today but about future revenue-streams.

The next lesson is about **continuous marketing**. Gone are the days of the "drop-and-run" licensing model where vendors would ship CDs, recognize revenue, and move on. In the new "shared success" service model, the feeling is that "we can't grow your account until you are happy." You know what that means? It means constantly talking with your users – early, often and honestly. But, Rich pointed out, there is good news...you have actual user names. Go out and use them.

Last, and certainly not least, **getting real-user feedback**. With traditional licensing models the best you got was second-hand feedback (customer meetings, third party surveys, sales issues, annual user groups, online forums, industry analysts, product reviews). With the new service model you get the best - your own log files. These are precise, real-time, unemotional input on what features are really being used? What could be better than this?

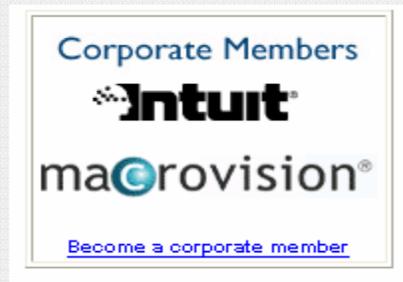
Finally, Rich summarized his key takeaways from his years in the business:

- Use your own service
- Leverage your installed base for continuous marketing
- Initial revenue is slower but it gets easier after year two

⌘

*Laura Lowell is the principal of [Impact Marketing Group](#), a marketing agency offering strategic and tactical marketing services for emerging high-tech companies. With more than 17 years of marketing experience, Laura has launched new products and businesses, turned around problem brands, and had a really good time doing it. Laura is the author of "Start Up Marketing" available in September 2007. She can be reached at [laura@impact-mg.com](mailto:laura@impact-mg.com).*

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### #1: Great Sales Messaging Must Communicate Key Differentiation Points

Most messaging does not clearly differentiate how your solution is better than the buyer’s current solution, nor does it clearly differentiate how your solution is better than the competitor’s solution. Great sales messaging must provide concrete answers to your buyer’s questions: How will my life be better if I buy this product from just anyone? How will my life be better if I buy this product from you rather than from your competitor?

Great sales messaging uses one or more of the five differentiators that are of most interest to your buyers:

Differentiator	Message
Time	You will save time.
Money	You will save money.
Risk	You will reduce the risk of wasting time and money.
Strategic	You will gain market share, better margins, or return on assets.
Personal	You will get a bonus, promotion, or recognition.

*Does your sales messaging appeal to the buyer’s primary interests?*

### #2: Great Sales Messaging Must Include Sharply Contrasting Adjectives

Consider the following two statements:

- a. Our widget is one of the fastest on the market
- b. Our widget has been tested to be the fastest you can buy

Which statement is more compelling?

Another example:

- a. Silver Bullet Group is a leading provider of sales messaging solutions
- b. Silver Bullet Group is the global leader in sales messaging solutions

Many neuroscience studies have concluded that the brain comprehends best when presented with clear contrasts between opposites like black and white, best and worst, fastest and slowest. That’s why great sales messaging must include sharply contrasting adjectives such as Only, Fastest, Easiest, Most, Best, etc., in order to clearly differentiate your solution from the competition’s.

*Does your sales messaging use sharply contrasting adjectives?*

### #3: Great Sales Messaging Must Quantify the Differences

Quantification is another strategy to clearly differentiate your solution from the customer’s current solution and from competitive alternatives. For example, can you change:

- “Reduce network cost” to “reduce network cost by 15% or more”?
- “Unmatched performance” to “25% better network performance”?

*Does your sales messaging quantify the differences?*

### #4: Great Sales Messaging Makes Claims That No Other Company Can Make

You are competing with so many messages in the marketplace that to truly stand out from your competition, your company must be the only one able to make the claims you do. If your competition is saying the same things as you, your messaging will not rise above the others and buyers will perceive it as “Me Too.” It must be very easy for your buyers to see you as different — and as the best of all competitive options and vendors. For example, you can change “great service” to “rated #1 in service with 98.7% customer satisfaction score.”

*Does your sales messaging make claims that no other company can make?*

### #5: Great Sales Messaging Is Validated

While some companies do make claims that no other company makes, they often then fail to ensure that those claims address the buyer’s needs. They have not asked their customers, “Why did you buy from us?”. What do you like and/or dislike about our messaging? What would you change and why?

Instead, they believe that they know what their customers want and thus fail to listen to the voice of the customer. For instance, a company may tout its car as having the best acceleration (the zero-to-sixty factor) in its class when their buyers care more about gas mileage and reliability. It’s crucially important that you validate your sales messaging.

*Does your sales messaging get validated by customers as relevant to their needs?*



*Michael Cannon, the founder of the Silver Bullet Group, is a sales and marketing effectiveness expert, best selling author and speaker on topics related to sales messaging and the strategic sales planning process.*

# BOOK REVIEW - Buzzoodle Buzz Marketing

By Ron McDaniel

Review by Anita Campbell

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Word of Mouth Tactics — 57 of Them

“Word of mouth” is becoming one of those over-worked phrases. Everyone talks about the importance of having others spread the word about your business or your product.

But rarely does anyone ever stop to explain what you can do to trigger word of mouth.

Here’s the good news: as a business owner you can take steps to increase and accelerate the process of getting people to talk favorably about your business. You can get your staff involved in the process, too.

Ron McDaniel, CEO of Buzzoodle, tells you exactly what to do. His new book, *Buzzoodle Buzz Marketing*, gives you 57 specific tactics to get people spreading the word about your business.

The main part of the book covers the 57 tactics (or Challenges, as Ron calls them). Each tactic is quick and easy to read. Each tactic takes up just two pages. For instance, here is a short quote from word-of-mouth tactic #11 in the book:

\*\*\*\*\*

Buzzoodle Buzz Challenge #11

Squidoo Expert Lens

Difficulty .....Simple  
Time ..... Quick - Medium  
Cost .....Minimal  
Technology Required .....Simple

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The site is easy to use even if you do not have any skills ....

\*\*\*\*\*

A business owner on whose Advisory Board I participate also read the book. Here is what Rick Maselli, owner of Maselli Construction, has to say about the 57 word-of-mouth tactics: “I was surprised at how many were so simple to put into effect and how little if no cost was involved. That is the kind of approach I wish more professionals would use.”

Yep, I agree. That’s what we all want: instructions for steps we can take easily and inexpensively.

Check out *Buzzoodle Buzz Marketing*. The book is practical and a quick read. It will give you a road map of specific techniques to build word of mouth about your business. **✂**

*Anita Campbell is Editor of Small Business Trends (<http://www.smallbiztrends.com>), an online publication that follows the trends affecting small businesses. She has extensive experience as a senior executive in the technology industry, culminating as CEO of a technology subsidiary of the Bell & Howell Company.*

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