PRAGMATIC MARKETER

FALL 2017

The Softer Side
of product management

WHY SOFT SKILLS MATTER

AS WE WORKED ON THIS ISSUE, I spent a lot of time visiting my dad in the hospital. It turns out that the hospital is a place where the soft skills—or lack thereof—of the people around you are definitely on display.

Let's face it, in the hospital you don't always get good news. In fact, with the exception of a birth, just the fact that you're in the hospital probably means you've hit some bad news along the way. But how that news is delivered, the time spent to explain it and the patience allowed to process or understand it can make a huge difference. And the skills needed to do that aren't diagnostic or medical, they're soft skills: displaying empathy, delivering truth, listening.

They may not seem critical—and they certainly aren't enough without the requisite medical skills—but they are what separates a good doctor or nurse from a great one. And the same is true of the power of soft skills in today's product teams.

We've dedicated this issue to those soft skills needed to maximize the success of both your products and careers. Pragmatic Marketing instructor Paul Young talks through eight key soft skills that can be learned, and Johnathan Lucky shares his personal experience and journey. Plus, we share a ton of other tips and tools to strengthen your repertoire.

Remember, these soft skills don't replace the hard skills required to be successful in product. And as Paul discussed in his article, having strong soft skills doesn't mean making everyone like you. But strengthening these skills does mean that you can present your market findings in a way that will be heard by people at all levels of the organization and that you can wield influence far greater than your title and authority alone would grant you.

Happy reading,

Rebecca Kalogeris
Editorial Director
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Since 1993, Pragmatic Marketing has conducted product management and marketing training for 8,000 companies on six continents. Our team of thought leaders produces blogs, webinars, podcasts and publications that product professionals around the world turn to for industry insights.

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FEATURES

DEPARTMENTS

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Celebrating 10 Years with Pragmatic Marketing

STACEY WEBER

HOW DID YOU GET YOUR START?

My first experience with technology was in third grade. My dad was a manager at a telephone company, and he could bring home an Apple II on the weekends. He would dutifully haul the clunky equipment into our living room, where it would sit on a card table. I'd spend my weekends coding in Basic (okay, and perhaps playing a bit of Castle Wolfenstein). In middle school I taught younger students programming; and in junior high I had my first actual programming class. All the technology seemed so much fun that I considered it a hobby and never seriously considered pursuing a related career.

Instead, I started working at a local Dairy Queen and earned my first degree in food service management. I enjoyed the fast-paced environment, my ability to impact all parts of the operation and being a part of many individuals' first job experience.

Food service is instantly gratifying. People come in hungry, you smile at them and feed them good food, they give you money, and they leave happy and full. It was highly enjoyable, until I started a family and realized the difficulty of running a business that potentially required me to be there at any time. I focused on the gratification I had gotten from leading my team and decided to go back to college. A few years later, I earned my bachelor of arts in business administration, with a specialization in management and computer information systems.

HOW DID YOU MOVE INTO PRODUCT MANAGEMENT?

In my final semester of business school, I secured an internship in testing at a local software company. What a learning experience that was! I didn't know anything about titles or roles inside a software company, and I didn't really know what "tester" meant. I dove in, though, and started learning about software and postal processing, since that's where this company was focused.

I was pleased to realize I was simply being paid to break stuff. It was fun, and I spent the next few years building a true quality-assurance team.

Along the way, I started hearing about a new title: "product manager." A handful of people had that title, but

no one really knew what it meant. We had lively debates about whether it was any different from "project manager" and quiet discussions about whether we really needed the roles at all. Good times.

Management eventually realized that they needed business expertise in these roles, and I became increasingly intrigued. Eventually, I interviewed for an open position and earned the title of associate product manager—whatever that meant!

I quickly noticed the similarities between managing a restaurant and a product. Both require an ability to manage multiple things simultaneously, answer questions from different directions, be alert for the trends and understand how the system works. To be perfectly frank, though, I wasn't nearly as good at this as I had been at the restaurant: There were so many jobs I had never done, and so many things that I didn't fully understand. There were postal regulations, operating-system support decisions, marketing-collateral reviews, advertising decisions, sales-support questions and cross-functional team meetings. I was having fun, but I was also overwhelmed and sometimes making poor decisions for the wrong reasons. Sometimes, I was messing up other people's jobs and didn't even know it.

HOW DID YOU FIND PRAGMATIC MARKETING?

Someone from my team came across a marketing piece from Pragmatic Marketing. We had a good laugh as we read their rules and realized that someone understood our plight; then five of us signed up for training.

I never could have realized such a small action would make such a huge impact on my career and life.

The training was outstanding; our instructor knew her stuff and gave inspiring examples of a different way to do the job. We could envision how the framework would help us study the market more effectively, thereby focusing and enabling the talent inside our organization. Pragmatic Marketing was a new tool we could use to drive successful change.

We went back to the office and started applying what we learned. As we changed the way we approached our jobs, the culture shifted around us. Gathering market facts caused a rapid increase in our credibility; people even stopped questioning the purpose of product management!

In the five years following our initial training, we doubled revenue, despite originating in a very mature and shrinking market segment. Instead of faltering, we found new opportunities in existing segments and found new segments where we could apply our existing technology.

HOW DID YOU END UP COMING TO WORK FOR PRAGMATIC MARKETING?

Eventually, I decided to focus more on my passion for the art and science of product management. In 2007, I delivered a

THIS ISN'T JUST A JOB; I'M ON A MISSION.

presentation at a conference in Boston showing how we used Pragmatic Marketing to spark a cultural change and become a highly successful, market-driven organization. Steve Johnson from Pragmatic Marketing was one of many people there watching, which began the interview process.

I can hardly believe that was already a decade ago! As an instructor, I am on a team of some of the best minds in product management and product marketing; this group has broad and deep experience, along with superb communication skills. Currently, I deliver public and private trainings around the world. I've also served Pragmatic Marketing in other ways, at various times adopting roles in quality assurance, development, sales engineering and consulting. I enjoy having an impact on the company, as well as on the lives of my students and the companies they work for.

WHAT'S YOUR FAVORITE THING ABOUT BEING A PRAGMATIC MARKETING INSTRUCTOR?

I love enabling people to do their jobs more effectively; we give students a structure that allows them to up their game, increasing their credibility in their life and on the job. We teach people how to understand their markets with higher clarity, so they can enable their organizations, which increases the number of technology wins and reduces the number of failures. My favorite part of being an instructor is seeing this shift happen: the moment a student leans forward, nods their head and realizes, "This changes everything."

Later, we hear from these students again. They tell us how they have used the framework to make a noticeable difference in their companies. Our training has changed their careers, and now they call us to help ground their team in the same concepts. That's the circle of life here, and it's the dynamic that keeps me going.

FINAL WORDS

This isn't just a job; I'm actually on a mission. Technology companies spend an exorbitant amount of money building products, and all too often people experience the pain of being involved in projects that fail. Companies run confidently in the wrong direction, guided by myths and misunderstandings about what it means to build good products. Egos get in the way, and people tell themselves, "We know what we need to do," essentially blindfolding the organizations they're supposed to lead.

Tech companies employ intelligent, creative people, and then they're not sure how to lead them to success. The brilliant people who understand how to design, build, test, sell, support and market products need information in order to succeed. They need to be enabled with market facts so that their brilliance will shine. Then companies will create products that people want to buy. Design and engineering will be enabled to build products that delight users and make them want to tell their friends. **PM**

TRAVEL TIPS FOR ROAD WARRIORS
Amazing Amsterdam

Pragmatic Marketing recently held its first public courses in Amsterdam, the favorite city of Stacey Weber, who is celebrating her 10th anniversary as an instructor. Stacey visits Amsterdam annually, so we asked her to share her favorite spots.

The Anne Frank House | annefrank.org
This museum preserves the hiding place of Anne Frank and her family during the Nazi occupation of the Netherlands. One of the city's most popular sites, tickets sell out frequently, so plan ahead and book online for a specific time slot.

Pancake Bakery | pancake.nl
Enjoy traditional Dutch pancakes and *poffertjes* (fluffy mini pancakes) and savory favorites like caprese with tomato and pesto. Or make your own at this historical venue, a 17th-century warehouse formerly owned by the Dutch East India Company.

PHOTO CREDIT: THE PANCAKE BAKERY – ALLE RECHTEN VOORBEHOUDEN

Begijnhof
dutchamsterdam.nl/781-begijnhof-courtyard-amsterdam
This urban oasis originally served as a cloister for members of a lay Catholic sisterhood. The enclosed courtyard dates from the early 14th century and includes Amsterdam's oldest surviving house, dating from around 1528. There's also a church hidden within the courtyard.

Oude Kerk (Old Church) | oudekerk.nl/en/visit
Founded in 1213, the church is Amsterdam's oldest building and one of the most imposing Gothic ecclesiastical buildings in northern Europe. It's built on a cemetery and the floor consists entirely of gravestones.

Rijkmuseum | rijksmuseum.nl/en
Among the world's finest art museums, Rijkmuseum is filled with works by local masters Rembrandt, Vermeer and van Gogh. Most famous is Rembrandt's masterpiece "The Night Watch."

Amsterdam Museum | amsterdammuseum.nl/en
Experience the city's history through a vast collection of art and artifacts from medieval times to the present, housed in a 17th-century building that was formerly an orphanage.

Dutch Resistance Museum
verzetsmuseum.org/museum/en/museum
See, hear and read stories about how Dutch people responded to the Nazi occupation of the Netherlands from 1940 to 1945.

Café Winkel 43 | facebook.com/Winkel43
A great spot to relax and enjoy a sweet treat in the midst of your sightseeing, this breakfast and brunch spot is famous for its Dutch apple pie.

Noordermarkt | noordermarkt-amsterdam.nl/en/home-en
You'll find stalls filled with fruit, veggies, Gouda cheese and collectables, including Delft Blue earthenware, at this outdoor market. Open on Mondays and Saturdays; the Saturday market is the larger of the two.
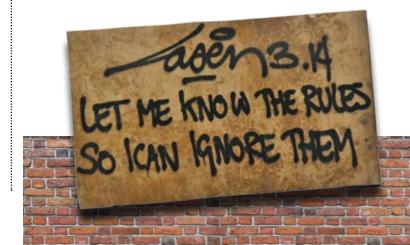
Vondelpark | amsterdam.info/parks/vondelpark
The city's largest, most famous park was named after a statue of Dutch poet Joost van den Vondel. Be on the lookout for two other famous artworks: "Mama Branka," a bronze sculpture representing a Caribbean woman; and "The Fish," an abstract concrete sculpture that was a gift to the city from Pablo Picasso.

Graffiti artist Laser 3.14 | laser314.com
Be on the lookout for the socially conscious street art of Laser 3.14 (pronounced "Laser Pi"), a common sight throughout the city. A sample of his work ▼

TOP 7 Soft Skills

We asked product professionals from around the world to rank the soft skills most important to their career growth. Here's what they told us:

the Softer Side of product management

1 Inspires Others
The ability to inspire others to action

2 Synthesis
Beyond gathering data, the ability to distill it into a call to action

3 Consensus Builder
Aligning the organization to solve a problem together

4 Truth to Power
Being able to raise uncomfortable issues to leadership

5 Pitch Artist
The ability to stand up in front of peers, managers and executives and sell them your ideas and conclusions

6 Executive Debater
Being a strong advocate for what is right in the market and challenging executive teams when necessary

7 Empathetic
The ability to understand what others are going through, both inside and outside the company

However, when asked to rank what companies reward, here's what they told us:

1. PITCH ARTIST
2. INSPIRES OTHERS
3. EXECUTIVE DEBATER
4. SYNTHESIS
5. CONSENSUS BUILDER
6. TRUTH TO POWER
7. EMPATHETIC

Survey based on 2,500 respondents to Pragmatic Marketing's Annual Product Management and Marketing Survey, 2016.

My team comes up with terrific product enhancements, so why can't we get to the big ideas we need?

CEOS OFTEN BRING ME IN TO HELP TEAMS find the next big idea. I've learned that unless we clarify things at the outset, my idea of a big idea and the CEO's idea of a big idea may be completely different. To get the big ideas we want, we need to do three things:

**Diane Pierson, Instructor
Pragmatic Marketing**

1 Focus Our Ideation Process

Generally, we're looking for the right idea, not the big idea. Before we can begin an effective search for the elusive idea—big, right or whatever—we must give our teams strategic focus to guide their brainstorming. Make sure they understand the company direction around:

- **Market**. Am I looking for new ideas for our existing customers, looking to drive new business with companies similar to existing customers; or looking to enter entirely new markets?

- **Timeline**. When do I expect this product to deliver revenue? Profit? Break even?

- **Revenue**. How much revenue is "big" to us?

- **Non-Revenue Benefits**. Do I want to position our company as an industry leader? Leapfrog existing competition? Create an entirely new ecosystem?

- **Funding**. You shouldn't have to spend a lot on testing, but most big ideas require some—probably significant—expense to scale once proven. We need to let our teams know the boundaries for funding. If we can't spend $1 million to scale a new product line, we should say so up front.

2 Form Hypotheses

Once the team is aware of what big ideas look like to the company, they can begin to brainstorm your own core capabilities (NOT products) and the markets you serve, including opportunities and risks to respond to. Then, they can generate ideas to address each hypothesis. Some examples of hypotheses from my own information-services background include:

- Businesses are beginning to expect a high level of customization in even inexpensive decision-support tools.

- Cloud-based tools will be completely accepted by our markets.

- New regulations will make more sophisticated data analysis mandatory in our markets.

3 Respond and Record

Do the same ideas come up again and again, with no new information to make them more appealing? How about the colleague who can't let go of an idea, but nobody can provide reasoning that justifies pressing them to? Has one team member shut down another with the ubiquitous "we thought of that ages ago" only to see the competition bring that very concept successfully to market?

Old ideas may become big ideas when something in the market changes.

By providing specific feedback and keeping track of resolution, everyone knows, even months after the discussion, why an idea did not make it to prime time. Even better, old ideas may become big ideas when something in the market changes.

So, what's the big idea? That's up to you. But the three steps above should enable you to get the best possible results from your innovation efforts.

Do you have a question for our experts? *Send us an email at experts@pragmaticmarketing.com.*

STAY!

WE'LL BRING OUR TRAINING TO YOU.

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8 SOFT
NEED

THE HARD SKILLS OF PRODUCT MANAGEMENT THAT ARE RELATED to data gathering are challenging enough to master, but you also need to develop soft skills to climb to the next level. The good news is that there is a pattern to this leadership trajectory that everyone can emulate and use to change the course of their career.

In a previous issue of *Pragmatic Marketer* (Spring 2013), I wrote about the seven traits of rock-star product professionals, what I call the X factors. This article focuses on eight soft skills that you need to master to advance your career. The good news is that these skills can be learned. But like any skill, they take time and effort to develop. However, once you develop them, you'll evolve from a data guru into a people guru. Because after all, what's product without people?

1 QUESTIONS AUTHORITY

To create an effective product, you must be willing to ask tough questions of those in authority, and be tactful when you do it. The intent isn't to be obstinate or difficult, but to genuinely express curiosity about things you don't understand. And although business and professional cultures vary by geography and business model, there are right and wrong ways to question people in authority.

Wrong: If you use words like "This is all wrong" or "This is dumb," be prepared to do damage control and cleanup afterwards. These words personalize disagreement, make the receiver defensive and lower the possibility of moving forward in a productive way.

Also, avoid revisiting the same disagreement over and over. It's healthy to have the conversation once, and it may be useful to have again for clarification. However, by the third time it becomes tedious. Make your point, but accept that while you have a voice, you may not have a vote. Remember, most businesses are not democracies. Eventually, you have to move forward.

Right: Express interest in a non-threatening, curious way using words like "Can you help me understand why …?" and "How does this relate to …?" Listen. Maybe they have access

SKILLS YOU TO SUCCEED

BY
PAUL YOUNG

the Softer Side of product management

to information you weren't privy to, or perhaps your point of view was wrong. Remain open to new possibilities whenever you question someone.

It's also important to understand group dynamics. For example, some managers may prefer that you pose questions in a one-on-one setting, rather than in a group. If you need help phrasing your disagreements and questions in a respectful, neutral manner, enlist a peer to role-play the authority figure.

2 DELEGATOR

As a Pragmatic Marketing instructor, I've met thousands of students. Regardless of their background, they fit a profile: They are type A personalities—often perfectionists—who like to get things done. They are also generalists who can easily work with marketing, sales, engineering, finance, support and executives.

Because of these characteristics, people on the product team can't seem to avoid taking everything on. As a result, they often find themselves in firefighting mode, jumping from one crisis to the next. But when you're always fighting fires, the business learns that you're a good firefighter, and guess where the next fire will go? Straight to you!

To be effective, you must learn to delegate. However, delegation is hard, especially as an individual contributor. So how do you do it?

The first step is to clarify roles and responsibilities. Once roles are defined, who owns which activities will become clearer and make delegation easier. You can then pull out the Pragmatic Marketing Framework, point to the activity in question and say, "It looks like competitive landscape was flagged as your responsibility. What do you need to make that happen?"

Asking what they need to make it happen will help reduce their stress. If they're worried about their workload and fulfilling a commitment, talk with an executive. Perhaps

> It's important to understand your business; know how the sausage is made at your company.

the executive can take something off their plate, redefine roles and responsibilities or add net-new resources. But if you try to delegate without having roles and responsibilities in place, everyone will feel overloaded and the process could easily devolve into a fight.

3 BUSINESS SAVVY

Should we adjust pricing? Should we focus on profitability or gaining market share? These are questions you face each day. If you're good at your job, you might spend cycles trying to figure out the answer. If you are stellar at your job, you know the answer and where to get the data to drive the decision through the organization. You understand your business and how the product fits into the overall context of the business strategy.

Strong business acumen can come from many sources. For some, it comes from education, such as an MBA. For others, it comes from mentorship or experience in other roles, such as operations or finance. There is no single source for business savvy; it is a thread that weaves its way throughout your career and informs decisions along the way.

To develop this skill, it's important to understand your business; know how the sausage is made at your company. Also, be sure to read and build your financial muscles so that you can understand revenues, costs and profitability and know the cost to acquire a new customer.

4 INSPIRES OTHERS

The title "product manager" or "product marketing manager" can be misleading, because while you manage products, you rarely manage people. And because these roles rarely manage engineering, user experience, operations or support teams, you cannot simply issue management edicts to members of those other teams. However, you must work with these same groups to undertake the changes that the company needs to roll out new and updated products.

This requires a light touch. After all, the title is product manager, not product dictator. To inspire others to action, stellar product pros will engage them in a discussion of the *why*. Help the team understand how their work product impacts the bigger picture. Motivate them by framing the work as something that truly matters. People don't want to just collect a paycheck, they want to make an impact, and it is imperative for you to provide that inspiration to the team.

To successfully describe the *why* to others in the organization, you must first understand it yourself. One way to access the *why* comes from the market. As you hear the problems from your market contacts, drill down on why they care. Why this problem and not that problem? Why are they asking for this enhancement; what problem are they trying to solve? When you have the answers to these types of questions, you are ready to inspire others.

The roadmap can be a good artifact for sharing the *why*. Share it in your engineering or sales meeting, but instead of talking about the next set of features to develop, facilitate a conversation around why you are building these capabilities, and why are you doing it in this order.

Call out specific team members and use your market knowledge to help validate what they are working on. For example: "Don, the UX work you are doing on this next release is critical, because 70 percent of our users are abandoning after three clicks."

5 MULTI-VERT

Some people believe that product is a role best performed by extroverts, those who are great at talking with others and draw their energy from a crowd. This argument has some merit, since you must talk to a lot of people both inside and outside the company.

On the other hand, some people believe that introverts have a leg up, as they take time to process and think alone. This argument also has some merit, as you must often work alone analyzing the competition, writing requirements or preparing for a big presentation.

The truth is that stellar product pros will channel each quality, depending on the situation, and can transition between each mode quickly and easily.

Multi-verts will exercise their extrovert skills in internal meetings with executives and engineering, and then in conversations with user or focus groups. Later, they can pound out a fresh set of requirements for engineering's next sprint, or create an updated version of the business plan for an upcoming presentation. The best multi-verts understand that their time is precious and will maximize their efficiency by working smart, either in a team or alone.

Before you can become an effective multi-vert, you first must understand which side of the extrovert-introvert spectrum you fall on. Everyone has a comfort level that leans more to one side than the other. Recognize that your preferred mode may not always be the ideal mode.
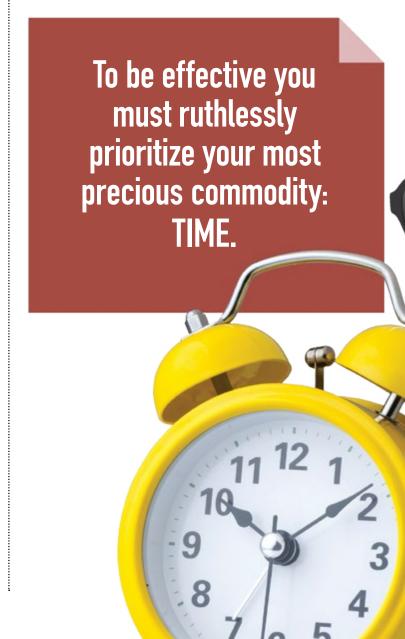
If you shade toward introversion, force yourself to speak up in group settings. Many business cultures interpret silence as acceptance of the group consensus. If you never speak up, the team may think you don't have anything to offer. Verbalize your thought process and you will find others in the group who step in and often help you complete the thought or take you in a new direction.

If you prefer extroversion, recognize that there are times where it is more appropriate to come to the conversation prepared with data in hand. Practice closing the door and doing detailed analysis before consulting with peers and you will find that people respect your forethought and diligence.

6 NETWORKER

The positive aspects of networking in furthering your career should be obvious: It is a small world, and you never know when you could be talking to your next manager or team member. Some experts say that 70 percent of people ended up in their current position thanks to networking. Others say it's more like 80 percent or even 85 percent.

One reason I helped launch dozens of ProductCamps around the world was to give product professionals a place to achieve this goal. Some of the best people I have hired came from interactions that started with networking: You talk to someone who knows someone who knows someone, and all of

> To be effective you must ruthlessly prioritize your most precious commodity: TIME.

a sudden you meet a person who is the perfect fit.

Even if you aren't yet managing a team, networking matters. When you do an onsite visit with someone, networking can make the difference between getting a second visit and uncovering a new market problem, or not. Always look for new people to meet, make introductions and follow up.

Once I was on an airplane and struck up a conversation with the person next to me. It turned out that he was part of our target market segment; he had the problem we were solving, and he was stuck next to me for three hours! Talk about an opportunity.

There are two questions that you should add to the end of every meeting with someone new: "Is there anyone else I should talk to about [insert relevant topic area]?" and "Is there anything I can do for you, or anyone I can introduce you to?"

This give-and-take signals that you are a networker and are interested in helping them, and in turn this inspires them to help you.

7 TIME SELFISH

Product people are the ultimate generalists. You can be tasked with everything from being the voice of the market and answering RFPs, to doing demos and helping on support inquiries. But there aren't enough hours in the day to do all those things, so to be effective you must ruthlessly prioritize your most precious commodity: time.

Recognize that what you are good at is not necessarily what you should be doing. Look dispassionately at your requests and prioritize effectively based on importance. Many times, you will have to say "no" to requests, or use your delegation skills to find others to do work that is not a high priority. By setting boundaries around your work and time, you will get the most important work done with higher quality.

8 STRATEGIC THINKER

A strategic thinker sees many moves in advance and knows the implications of going down one path or another. It's a lot like chess, and it is a critical skill for dealing with the competition and for creating and shaping a product vision. It all boils down to practicing patience: You have to be patient enough to consider the multitude of possibilities.

The market is constantly shifting. As the lifecycle of technology trends shortens, and the ease of copying intellectual property and business models decreases, you must become better at anticipating these changes. You must plan, not simply react.

Considering the possibilities in advance will help you do your job more successfully. One helpful exercise is to diagram a decision tree, either on a whiteboard as a group exercise, or on a piece of paper at your desk. This will help to identify the possible paths you could take.

The time to think about the future is now. Major disruptions or changes to your business model should result from developing a plan in the calm confines of your office, not in the fog of the event itself.

Soft skills aren't just touchy-feely things that consultants drone on about. They're essential to success in your current role and career. Using soft skills also doesn't mean you'll get everyone to like you. In fact, many skills reviewed here can produce the opposite effect. Being liked and being effective aren't the same thing, although they often intersect.

Do a gap analysis on yourself, and understand where you're lacking today. Commit yourself to improvement over the next quarter using what we've outlined here. Then drop me an email, and let me know how it's going on your journey from data guru to people guru. **PM**

About the Author

Paul Young oversees the strategic development of Pragmatic Marketing's portfolio of products and leads the executive team in the evaluation of new product opportunities. He also manages the instructor team. Paul began his career as a software developer and has worked in startups and large companies across B2B and B2C industries, including telecommunications and networking, IT and professional services, consumer electronics and enterprise software. He has managed P&L lines for products with hundreds of millions in revenue, and faced difficult choices about which products in the portfolio to retain and which to kill. Reach him at pyoung@pragmaticmarketing.com.

TALKING TO HiPPOs:

Easing Tough Conversations with Usage Analytics

BY KEITH FENECH

IN A RECENT PRAGMATIC MARKETING SURVEY, the ability to inspire others ranked high for product managers asked what they thought was both most important to career growth and most rewarded by their companies.

Crucial to the goal of inspiring others is ensuring that internal stakeholders feel heard during the roadmap development process. However, your responsibility is to properly balance what is best for the market in terms of product development with other internal perspectives. It's like being a conductor: You must identify the elements and coach the musicians who make the music beautiful, and tone down or eliminate those that do not.

As you conduct, there is one particular sound that can overpower the others: the highest-paid person's opinion (HiPPOs). Product teams must have a lot of difficult conversations, but the ones with HiPPOs are unique. You must listen to their input—which can vary in terms of validity and quality—and then thoughtfully incorporate it into your product roadmaps or tactical decisions where it makes sense. But you must also be able to confidently convey the results of your data analytics and your own experience and opinions when it comes to things that do not serve the product, customer or business.

Having hard data helps ease these conversations and enables the team to make a fact-based analysis about whether an opinion should be incorporated, making it easier to say "yes" and understandable to say "no."

Let's look at how software usage data can help ease a series of hypothetical conversations with different HiPPOs, which are probably not so hypothetical to you and your team.

TOP ACCOUNT MANAGER: *"Our big customer is not happy. They don't want to upgrade because their favorite feature isn't supported in the new release. Can we talk about supporting the legacy feature?"*

Here's a familiar scenario. A release that you've evangelized to customers about for months—during trade shows, at small meetings and with user communities—and which you thought they truly understood and bought into, is now in question because of the request of a single, albeit key, account. If you fulfill this request, key resources must be pulled off their current release work, jeopardizing the entire schedule.

Usage data can help you explore the value of supporting backward compatibility and avoid making a snap judgment. You can look at how users in the account leverage this particular feature—down to activity, runtime and machine architecture—and correlate that data with account information to help make a value-based analysis on whether the decision is actually good for business.

By looking at the way users move through a particular workflow, you can determine whether other functionality in the new release will meet their needs, and, if so, deliver targeted educational materials and training that will ease the upgrade.

The right content combined with the right training can encourage users to move and save you countless resources engineering backward compatibility and continuing to support it. On the other hand, if the data tells you it

makes sense to support the customer request, your team has detailed information on the customer's requirements to shorten the development cycle.

MARKETING: *"Twitter is blowing up with feedback about this bug. So are our customer forums. Can you put your team on fixing it right away?"*

Your daily priorities can be sidetracked by calls from sales or marketing demanding immediate attention. How can you tell the difference between something truly urgent and something that affects only a handful of customers, but has been magnified by social media? With the ability to drill down to the operating system and architecture across the entire customer base, slicing and dicing it by geography, you can see how pervasive the problem is. Perhaps the issue only affects 10 noisy users on a specific Windows OS service pack. Data helps you make better decisions on where your developers' time could be best spent and gives you the confidence to relay that decision knowing that it does not affect most of your customer base.

What's more, you can have better conversations with other stakeholders in the company. Now marketing has specific information to communicate with the customers that have truly been impacted—to give them better information on when and how the problem will be fixed as well as dispel any myths perpetrated on social media.

C-LEVEL/EXECUTIVE: *"I met with a group of industry analysts this morning, and they say we're not focusing enough on 'X' new technology. What are we doing to build this into the current release?"*

Most of you either participate in meetings between industry analysts and your executives, or are briefed by executives after the fact. Often, there is extremely valuable information conveyed, which illuminates and educates product roadmap decisions. But sometimes you may feel like Dilbert when his boss tells him, "I think we should build a blockchain."

Silently questioning that the boss even knows what that is, Dilbert asks, "What color do you want that blockchain?" to which the boss replies, "I think mauve has the most RAM."

While you should always be mindful of incorporating new technologies into your roadmaps, data helps us answer the question of applicability and whether your customer base wants, or needs, the technology. Data helps you better answer these questions. With detailed information on machine architecture and use that you can slice by feature adoption, customer properties, geography, industry and more, you will know whether your customers want it, or are even ready for it.

What's more, when you pair usage analytics with in-application messaging, you can not only pull information from your users, but also push questions to them based on specific characteristics. Robust filtering and segmentation allows you to drill down by geographical region, days installed, license type, OS details and much more to get real, actionable information from users that indicate they may be ready for it.

The ability to leverage data truly helps you hear the HiPPOs and allows you to say "yes" when their opinions add value to the product and confidently convey the reasons why when they do not. Data helps you better communicate and evangelize your final decisions among key stakeholders in the product development process—especially when it comes to addressing opinion. This ensures that everyone understands production direction and is invested in its success, while inspiring confidence in the decisions and processes for making them. **PM**
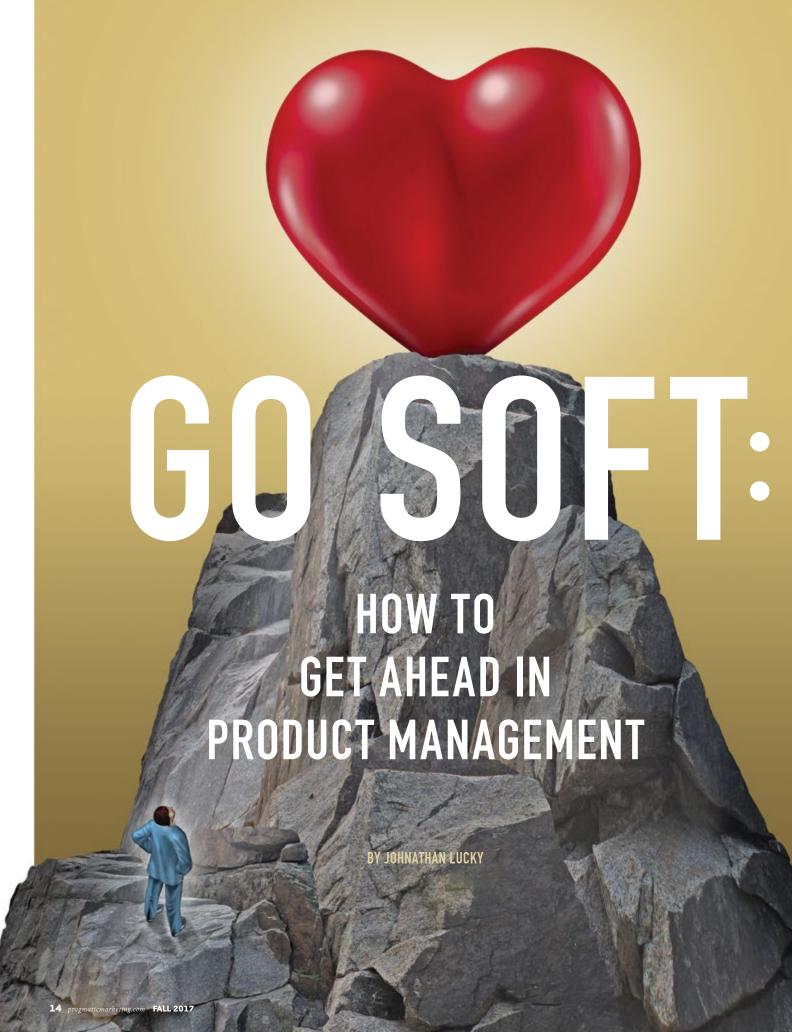
> **Data helps you better communicate and evangelize your final decisions.**

About the Author

Keith Fenech is vice president of software analytics at Revulytics and was the co-founder and CEO of Trackerbird Software Analytics before the company was acquired by Revulytics in 2016. Prior to founding Trackerbird, Keith held senior product roles at GFI Software, where he was responsible for the product roadmap and revenue growth for various security products in the company's portfolio. Keith also brings 10 years of IT consultancy experience in the SMB space. He has a master's in computer science from the University of Malta, specializing in high-performance computing. Contact Keith at kfenech@revulytics.com.

GO SOFT:

HOW TO
GET AHEAD IN
PRODUCT MANAGEMENT

BY JOHNATHAN LUCKY

AT THE BEGINNING OF MY CAREER, I DIDN'T KNOW what product management was. I worked in sales and fancied myself an evangelist for my company's products. The back-end technical side of the product was indeed boring, but the real-world implications—like ensuring nurses were dispensing the right medications or measuring radiation levels at nuclear power plants—were fascinating and important. I was intrigued by what the product could do for people.

Our company was small, so when features needed to be developed, salespeople went directly to the engineers. We didn't have product managers, but even without knowing what one was, I knew I wanted to immerse myself in the user experience and help improve the product. As things turned out, I evolved into the company's first product manager.

My journey in product management has brought me to a place in my career where I now coach others. Along the way, the skills that have been most helpful are the softer skills like empathy, networking, perseverance, telling truth to power and storytelling. Even though many job descriptions list requirements like agile certification, coding experience and marketing knowledge, you won't truly be successful unless you master the soft skills.

EMPATHY AND UNDERSTANDING THE USER

Early on, my boss realized I wasn't trained for my new role. I found Pragmatic Marketing and registered for the *Foundations* course in Atlanta. In that course, I learned about the importance of the market, and I latched onto that.

The notion of meeting the customers in their environment resonated with me. I like being able to see what people have on their desks, to look them in the eye. Empathy develops because you're learning who they are as human beings. It helps us remember who it is we work for, and in the end, that's the user.

Empathy for the market gives you a vested interest in solving buyer and user problems because you feel the market's pain and make the struggle your own. Empathy motivates you to stick with the user and the market for the long haul.

It helps to remember that there is a human on the other side of your tech. During one meeting with a chief technology officer, I learned that before using our product,

> It helps to remember that there is a human on the other side of your tech.

he would log into his system every night at midnight. Our product didn't just solve a business problem, it provided someone peace of mind so they could literally sleep at night. When you understand and care about people, you will have a deeper understanding of what you're selling.

I often use what I learn in conversations with customers to engender empathy with my developers and to get them to care about the user.

No one thinks of software requirements as warm and fuzzy documents. But when you tell your developers that Robert at General Hospital is suffering because doctors are constantly on him about reports not running on time, they have a new understanding. They want to help Robert. They're invested in helping this human being who has a problem.

However, you can't help Robert at General Hospital unless you understand his pain. And you can't understand his pain if you sit at your desk all day. You've got to get out of the office to gather information.

For example, during a recent Cincinnati trip, a client casually mentioned his ongoing struggle with our management console. What should have taken him five minutes took two hours. So I asked him the question that is most critical, but that too often remains unasked: "Can you show me?"

When I returned to the office and described the issue to our engineers, they immediately came up with a solution. And I was able to call the client and walk him through it. His response? "Wow! You just saved me two hours every month."

These kinds of wins—especially when you're working with an enterprise product that allows you to have a one-on-one relationship with your clients—are what help you succeed. In this instance, I helped solve the client's problem while capturing a possible improvement in the product and in our communications with other users.

FOCUS AND PERSEVERE

Your job is to stay focused on the customer and the market. Perseverance is key. As you work towards meeting user goals, never lose sight of the market problem—even if your company does. Yes, this is hard. There are plenty of distractions that attempt to pull you away from the needs of your users.

In my previous role, our support process and system for managing inbound requests required users to do all the legwork before they interacted with our team. Naturally, they hated it. These users needed our help, and we placed too many barriers in front of them.

Everyone internally loved the status quo, but it didn't work for the market. It took years to change, but eventually I won over the support director as my ally. Through facts, data and an exhaustive list of customer feedback, we finally streamlined the support process and solved the users' problem.

For many of us, our perseverance and passion can lead to conflict. I remember going to my boss and saying, "We need to be more focused on the users. They're going to be the ones to tell us what the product should be." My boss cared only about the people signing the checks. His job was to make sure the money was coming in. So I was an advocate for the users, and he was an advocate for the buyers.

But arguing was not productive. I wasn't getting what I wanted, and my boss was frustrated. So I changed my approach. Recognizing my boss was advocating for the buyer, I spent more time with our buyers. Then, I took all of that data plus the data from our users and I sat down with my boss. This changed the dynamic of the conversation. It became: How are we approaching a customer with both of these people in mind? How do we build a value proposition that's going to appeal to both types of people?

As a result, we decided that salespeople should focus on buyers, and we brought in technical consultants to address technical questions with our users.
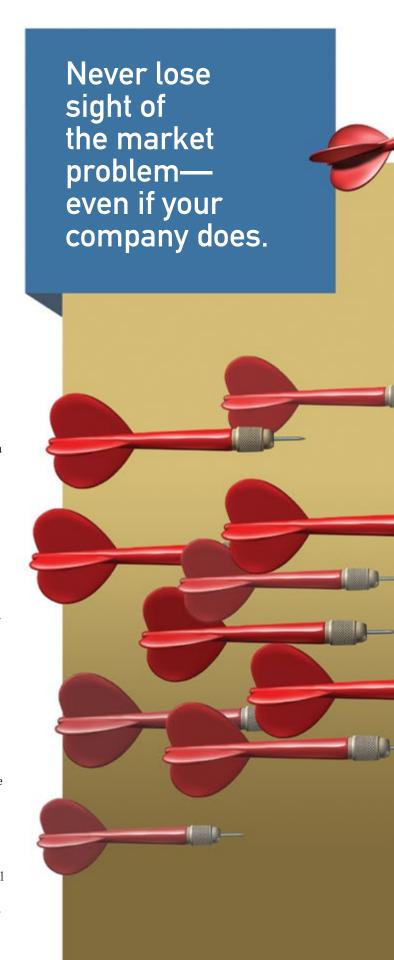
SPEAK TRUTH TO POWER

Arguably, the hardest skill to develop is speaking truth to power. It takes courage to be honest and up-front with superiors. I have done this on several occasions with varying degrees of success. Once, I needed to convince high-level stakeholders that splitting our energy between two projects was stalling progress on both. If we intended to get any product on the shelf, we had to focus on one of them.

Arguing with superiors doesn't work, but measurement and tracking does. I kept a spreadsheet tracking the time we spent on each project, followed by a chart that illustrated when we began falling behind due to context switching. Every week I presented the updated chart to company stakeholders. After months of this, one stakeholder exclaimed, "We'll never get anything done if we keep going like this. What do you propose we do?" Bingo! We finally received funding that allowed the team to focus on a single project the following quarter.

It's important to have the courage to tell the truth to those in power, even when they don't want to hear it. But make sure to arm yourself with facts and stay persistent.

On the other hand, sometimes it's about telling the customer something they don't want to hear. I recall working with a medical facility in Florida that was using one of our products. There were things they wanted to do with that product that didn't make sense.

> # Never lose sight of the market problem— even if your company does.

They made requests of our team to modify the product, but our team sat down and realized this was not the way to go. They needed to move to something more robust. Sometimes you have to be willing to tell your client, "I know you want to do this, but we're not confident it will accomplish what you want."

Ultimately, they came around. And with our alternative solution, we accomplished what they needed in half the time and saved them a lot of money.

WEAVE A TALE

People remember stories better than data or statistics. A story draws you in and invites you to root for the protagonist. That's what makes storytelling an important skill.

Creating a human being with a story helps us empathize with our customers. So, not long ago I wrote a full story about Jen the Analyst, including what her day looks like, details about her pet iguana and other fun things about her. She became a real person everyone in our organization cared about.

The story had been so compelling that we talked about Jen like she was real. In meetings, we would say things like "Jen would be absolutely thrilled about that feature." Our team was invested in Jen and wanted to help her succeed. That's the power of storytelling.

A FUSION OF SKILLS

Developing this combination of soft skills has been instrumental to my career success.

Empathy helps focus in on buyer and user problems while persistence helps you stay focused on solving those market problems.

Telling a compelling story will rally your team around resolving those market problems. Finally, if stakeholders disagree with this market narrative, tell the truth to those in power and demonstrate that your product exists to solve the market's problems, not your own.

Though these are not the only soft skills you need to be successful, they are the skills you need to deliver products that focus on the market and that users love. **PM**

About the Author

Johnathan Lucky is a scrum master at Perform Group, a leading digital sports content and media group. He helps teams use market data to influence decisions that are beneficial to users and customers by leveraging his experience in product disciplines involving sales, marketing, product management and enterprise software development. Email Johnathan at johnathanlucky@gmail.com or connect with him at linkedin.com/in/johnathanlucky.

THE MYTH OF THE
IMPERSONAL BUYER

BY ROD GRIFFITH

"**G**ET OUT OF THE WATER! NOW!" THE CRY CAME FROM A CONCERNED father sitting on a blanket not far behind me on a Cape Cod beach. The sheer volume of his voice alarmed all of us nearby. There had been recent shark sightings along the Cape shores, so sharks were first and foremost on our minds when we heard him yell.

His two kids—a boy and a girl of perhaps 9 and 12—were in the water, barely up to their waists. When they didn't respond, he jumped to his feet and yelled again. "I said get out of the water, now!" I immediately thought of Chief Brody from the movie *Jaws*.

The kids turned and broke into a high-step run out of the shallows and up the beach to their father.

"How many times have I told you to wait 30 minutes after you eat before going back into the water?" he asked them. "You can get stomach cramps and drown. It happens every year."

But he was wrong. It doesn't happen every year. It actually never happens. Studies published in 2007 and 2008 by Rachel C. Vreeman and Aaron E. Carroll from the Indiana University School of Medicine debunked this myth about drownings caused by swimming too soon after eating. According to Vreeman and Carroll, there are no documented cases of drowning or near-drowning due to eating.

They couldn't find one case. Zero. Zilch. Yet how many millions of us were given the same stern warning back when we were kids?

Every so often, science reveals myths that have long been taken as fact. We can't remember the days when the world was thought flat, or when bloodletting was believed to cure illness. But most of us today will remember when coffee was bad for you and when Pluto was a planet, or when swimming after eating could lead to drowning.
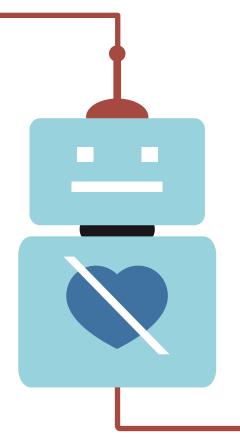
The business realm is not immune to these myths.

"It's not personal. It's business."

I wish I had a dime for every time that was uttered. This commonly used statement expresses the archetype of the ultimate business decision-maker: focused, unflinching and objective to the core.

We laud business leaders for their ability to keep calm and cool under pressure, and to maintain a laser-like focus on strategy and business objectives, where lesser people would be swayed by their emotions. In heroes like Steve Jobs, or in villains like Gordon Gekko of the *Wall Street* movies, we see steadfast steeliness, determination and objectivity—qualities, we believe, of the quintessential business decision-maker. And someone vastly different from the typical personal consumer.

We assume that while individual consumers regularly base purchase decisions on emotions, whim and personal desire, savvy business decision-makers base their procurement decisions on research, analysis, data, ROI calculations and strategic business goals. Personal needs and emotions, we believe, don't play a major role in business decisions—especially for significant purchase decisions such as technology solutions.

Like the danger of swimming after you eat, this notion of the impersonal business buyer is being proven by researchers to be a myth. Research indicates that the personal

> "
> It ain't what you don't know that gets you into trouble—it's what you know for sure that just ain't so.
> "
> —Josh Billings, 1874

value that buyers perceive in a B2B product has far greater impact on the decision process than most marketers thought.

A study conducted by CEB, now Gartner, in conjunction with Google ("From Promotion to Emotion," 2013) found that the perceived personal value in a product had almost twice as much impact on the purchase outcome as the perceived business value. According to the study, the personal value perceived by the decision-maker includes professional benefits, social benefits, emotional benefits or self-image benefits.

On the consumer marketing side, most purchases are relatively low-dollar. The downside of a wrong purchase for basic consumer goods is some moderate frustration and annoyance, if that. Don't like the new book you bought? Donate it. Don't like that new desk lamp? Regift it.

In contrast, business purchases—especially technology products and solutions—can have serious consequences. The stakes are high, so the accompanying emotions surrounding the buying journey may also be high. Rapidly changing technology choices add further stress. People's careers can be made or broken based on a purchase decision. But, because of this "myth of the impersonal buyer," B2B marketers often completely overlook the emotional side of the purchase.

THE PERSONAL VALUE MESSAGING GAP

The same study (which surveyed 3,000 business purchasers) found that buyers who see personal value in a product indicate a significantly greater likelihood of purchasing—three times greater—than buyers who do not see personal value. Those buyers who see personal value are also seven times more likely to pay a premium for a product.

But there's a dilemma here: Buyers tend to believe in the personal value of a product only *after* purchase and use. The study found that, while 77 percent of customers believe in the personal value of the products they've purchased, only 31 percent of buyers believe in the personal value of products they do not own.

If buyers don't see personal value, one likely reason is that B2B marketers aren't effectively communicating the personal value of their products. Because of the myth of the impersonal buyer, we tend to overlook and neglect our personal value messaging, focusing most of our sales messaging on the business value of our products or solutions.

A typical messaging hierarchy focuses on desired business outcomes, strategic value, differentiating features and benefits, and supporting proof points. Inevitably, messaging is filled with common terms such as "intuitive," "easy to use," "robust" and "powerful." Competing products of similar design or technology will often use similar descriptors. This can result

in sales messaging that lacks differentiation.

Just visit a few of your competitors' websites and you'll see this. Most competing products of a similar nature and design (including technology) claim to offer many of the same business values. A good portion of the messaging for competing products is often virtually interchangeable. So, unless you have a clear and significant advantage over your competition (a rare situation in today's global economy), the business value that your product offers is probably very similar to the business value that your competitors offer. Consequently, companies that build personal value messages into their messaging hierarchies can gain an edge over competitors who have yet to expand their messaging beyond the typical business value focus.

IDENTIFY YOUR PERSONAL VALUE MESSAGING

To identify the right personal value messages for your products or solutions, start by talking with your customers—which is something many B2B marketers don't do often enough. Use the following questions to structure the conversation and help identify the personal value your customers believe your products or solutions provide.

Has our product helped to accelerate your career in any way?

Perhaps your product has helped customers gain experience and skills in a hot new technology area, bolstering their résumé or helping them win a promotion.

Has our product helped you gain professional recognition?

Anecdotal evidence about how your product has helped customers gain recognition or awards can be extremely helpful in differentiating your sales messaging. Where possible, use real customer success stories and testimonial quotes to support personal value messages.

Has our product boosted your visibility in the company by impacting company success?

The purchase and implementation of your product may have required your customer to foster support and collaboration from teams across the organization. This can often boost their visibility and reputation within their company (and among important C-level management)—especially when the effort has resulted in recognized improvements in the company's productivity, efficiency or quality.

Has our product improved your reputation as a leader or out-of-the-box thinker?

The selection of your product may have required your customer to champion your product or service within their organization. In the process, your customer may have had to battle those who were skeptical, preferred the status quo, or wanted to go with a safe big-name vendor. Showcasing

Like the danger of swimming after you eat, this notion of the impersonal business buyer is being proven by researchers to be a myth.

how your product can help a customer boost their reputation as a leader can add powerful personal value to your overall messaging.

Of course, there are some aspects of personal value that you may not want to ask your customers about directly, because you'll risk, among other things, offending them. You don't want to imply, for example, that they lack confidence or are in fear of losing their job. So the following questions are likely best answered indirectly through casual conversation, listening and observation (versus posing them directly to your customers):

Has our product helped the customer build personal confidence or pride?

Your customer may have had to overcome doubt and taken some professional risks to champion your product or service through their decision process and implementation. After all, failure could have meant a major career setback, if not a professional catastrophe. Success, on the other hand, can be a serious boost to the customer's confidence and create a sense of personal pride.

Has our product helped the customer build or strengthen relationships with staff, peers or executives?

A decision team leader who successfully gains the buy-in, adoption and implementation of your solution may have had to reach out and forge new relationships, or strengthen current relationships, with their staff, peers or key executives. This may have resulted in improved respect and appreciation, fostered new friendships or acquaintanceships, strengthened interpersonal communications—or perhaps helped to reverse a previously negative relationship.

Has our product helped the customer spend more time working on the areas they prefer to focus on?

If your product or service helps reduce the amount of time spent on business challenges or issues—or otherwise improves your customer's productivity or efficiency—it may allow your customers to shift more of their focus to the work that satisfies them more, professionally and personally.

Has our product given our customer peace of mind?

Your customers may find that the decision to purchase and implement your product or service has helped them strengthen their value to the organization, elevated their reputation within the company or boosted confidence in the security of their job. The emotional result is greater peace of mind, which can improve both work and overall life satisfaction.

PUT EMOTION INTO MOTION

Once you've defined the personal value messages for your product or solution, the next step is to infuse your messaging—value propositions, elevator pitches, sales stories, etc.—with your personal value and emotion. This will enhance your customer appeal and both strengthen and differentiate your overall sales messaging.

The more personal the personal value message, the more challenging it is to build into general sales messaging. You may find some of the personal value messages are more suitable for specific sales plays to known, targeted decision-makers. And you will almost certainly want to communicate the personal values more subtly, perhaps through customer anecdotes and testimonials.
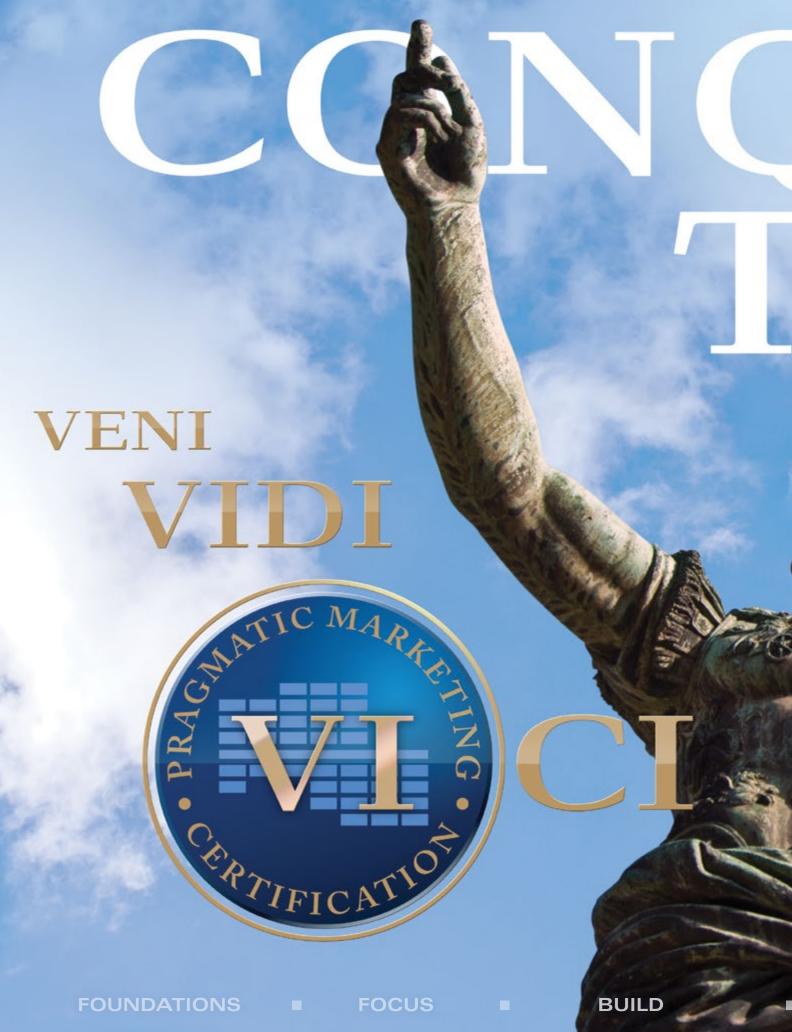
BACK TO THE BEACH

I was tempted to speak to that father on the beach who chastised his kids for going into the water after they ate. I would have liked to have told him about the researchers who couldn't find a single known instance of someone drowning because they ate before they swam. But I didn't want to correct him in front of his family. Short of depriving his kids of a little water time, he probably wasn't doing much harm anyway. Some myths are relatively harmless.
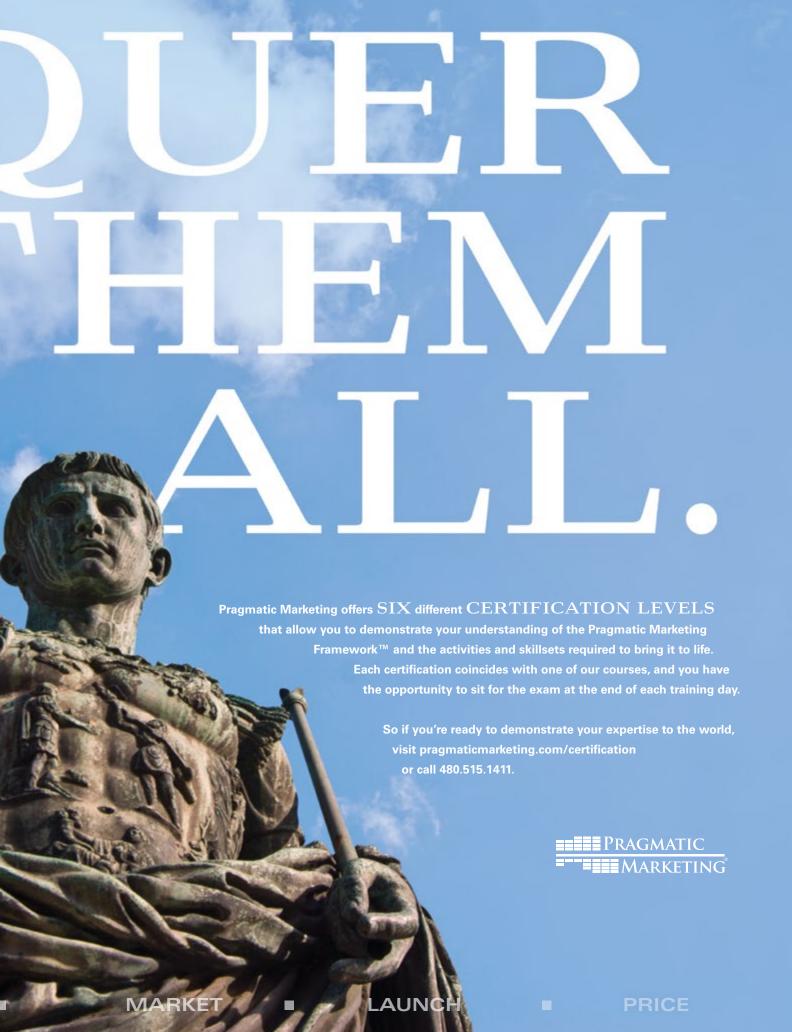
But the myth of the impersonal buyer isn't one of them. The customers' emotions and personal interests can play a strong role in the decision-making process. Make sure you're leveraging the power of personal value messaging to improve your differentiation and customer impact—and avoid becoming a victim of the myth of the impersonal buyer. PM

About the Author

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MAPPING WORKFLOWS:
A Common-Sense Approach to Product Planning BY MEYTAL MARKMAN

AS PRODUCT MANAGERS, WE HANDLE INFORMATION at many different levels across many different contexts. It's a rewarding job, but with so much information and so many expectations to manage, we may not get things 100 percent right. Have you ever asked yourself:

- How did I miss that requirement?

- Why did my stakeholders leave our meeting with a totally different perception of what we are building than I have?

- Why do I have to defend a project's scope when the build is already in QA?

- Why do my scope and timelines always seem to balloon?

- I'm pretty solid on my processes, but how can I take myself to the next level?

What if there were one thing you could implement right now to improve your product-planning practice? There is, and it's not revolutionary. It just takes a common-sense, logical approach and the willingness to remain grounded and honest, while acting with your eyes wide open. The solution? Mapping workflows, the process of documenting the specific steps required to complete a specific task.

Here are five ways that mapping workflows can help improve the products you build and the time it takes to get to market.

CLARITY

Before you map a workflow, you must have a use case. It sounds obvious, but I've seen people skip over this step and dive straight into tactical planning, like page navigation and user actions. But without understanding the use case that you're mapping, you can't say with 100 percent confidence that you've solved the right problem for the right person at the right time. Not only that, but identifying which use cases you are mapping also forces you to be very clear on which use cases you are *not* mapping. This is incredibly valuable, not only from a requirements perspective, but also for setting expectations up front with your clients, stakeholders and development team.

Beyond adding clarity, it comes with the added benefit of sparking healthy conversations around scope prioritization. If you know which use cases exist, you can work with your clients to determine which are most valuable, then prioritize them to deliver real value, fast. This is invaluable post-release when someone asks why they can't do X, Y or Z with your newly released product.

> **Without understanding the use case, you can't say you've solved the right problem for the right person at the right time.**

COMMUNICATION

Gaining clarity about what you're building leads to the second benefit: improved communication. Mapping workflows helps you get on the same page as your clients and developers. Rather than verbally describing how something works, or should work, you can map it out in enough detail to ensure you have a common understanding of what is happening and what should change.

When building new products and features from scratch, a workflow allows you to discuss a project in detail, confident that what one person communicates will be perceived uniformly by others in the group. A simple example is if someone starts off by describing what happens when a user "gets to the page." Right there can be an opportunity for mass confusion if you don't have a workflow to ground you: Which page do you mean? Does "get to the page" mean when they first log in, when they click on a link in the navigation bar, when they get to the top of the page or when they scroll to a certain spot on that page?

When changing existing products and features, additional communication benefits of a workflow come in the form of marketing communications. Once you see the workflow that will be disrupted, you'll know how to contextualize and explain what you're changing from the user's perspective.

> **Mapping workflows helps you get on the same page as your clients and developers.**

DEPENDENCIES

Another way that mapping workflows enhances your process is by identifying dependencies on other systems, pages, people, teams, etc. If you care about time, delivery and expectations, this is reason enough to map workflows. Think about how much time you lose when you're partway through development and a "gotcha" rears its ugly head. Gotcha! We need resources from another team to complete this functionality. Gotcha! Your proposed code changes impacted another application that wasn't part of the project scope. The list is endless. Your project manager, clients and team will thank you for investing a relatively small amount of time up front mapping out a workflow to reduce or eliminate these timeline and scope killers.

> **Your map will force you to consider what you're building at a deeper level.**

FORESIGHT

Mapping workflows will also uncover technical obstacles or complexities and identify the additional work you'll need to support your use case. The complexities will become apparent from the get-go, providing you with the foresight to have conversations with the right people, analyze the right systems and set appropriate expectations before you write your first user story.

An example of this is anything you build that requires a login workflow with more than one user type or user permission set. Let's say you have 3 user types and 4 permission levels. That's 12 possible scenarios to consider, depending on your use case. (Example: If User Type 1 has permissions A, B and C but not D, what do they see when they log in, and how is that different from User Type 1 with permission sets A-D?)

The map you create will force you to consider what you're building at this deeper level. It will help you plan out—per the example above—several sets of landing-page copy, new graphics or even whole new pages. And that's just one example.

FUTURE IMPROVEMENT

Mapping workflows sets you up to take your user experience to the next level. Developing a culture of mapping workflows and incorporating them into your product management habits paves the way for the evolution of your team, product and company toward higher levels of delightful UX and customer satisfaction. It will help you focus not only on the workflow, but also on the journey.

Journey mapping is a separate conversation, but without getting good at mapping workflows you will be hard-pressed to consistently and efficiently identify room for improvement. For example, let's say you're mapping a workflow and the next step is for the user to fill in a form. To take their experience to the next level, consider things like:

- Does the user have enough motivation to fill in the form?

- Do they have enough information to fill in the form?

- Does the user need to do anything beforehand to successfully complete the form? (Do they need to grab their driver's license to fill in an ID or a credit card to fill in a number?)

- How will they feel when they fill in the form?

- Should you add a step before the form to set expectations and include a call to action about how to prepare?

Mapping workflows is a common-sense approach to improving your product planning practice. It will help not only improve the products you build, but also the time it takes to get to market. PM

TIPS FOR GETTING STARTED

1

Always create workflows before you start to write requirements.

2

Before creating workflows, know what your scope is by choosing which use cases your project will support.

3

At a minimum, user workflow should include these six parts:

- A use case
- A starting point
- Connections
- User actions
- User decisions
- An ending point

About the Author

Meytal Markman is the director of product management at Rakuten Marketing. She grew up navigating the intricacies of life in New York City, London and Tel Aviv, which showed her how meaningful the difference is between delightful and never-again experiences. Meytal holds a master of arts degree in interactive media: critical theory and practice from Goldsmiths, University of London. Based in the Pacific Northwest, she spends as much time as possible immersed in delight. To learn more about mapping workflows, you can download Meytal's eBook at mappingworkflows.com. Email Meytal at meytal.markman@rakuten.com.

BY CHRISTIAN BONILLA

WE'VE GOT USERS, SO
Why Talk to the Market?

RAISE YOUR HAND IF YOU'VE EVER HEARD someone who works for a giant company say, "It still feels like a startup here." Yes, I roll my eyes when I hear it too, and not because there's anything wrong with big companies. It's just that so much of the startup experience can't be re-created in a big company. Not only is it impossible for everybody to know everybody else in a big company, but the fear of whether the business will be around next year just isn't there. You don't get concerned questions from family members for taking a job at IBM.

All of that aside though, the difference that's most obvious to us at UserMuse is that we never hear startups say, "We've already got lots of customers and we get all the feedback we need from them." Unfortunately, we hear this often from product teams at larger companies.

This is where the "we're just like a startup" myth crumbles. Once you've stopped looking beyond the people you already know for problems that need solving, you've not only stopped behaving like a startup, you've made a decision to be vulnerable to disruption.

Why Product Teams Stop Talking to Potentials
Across the hundreds of conversations we've had this year with product teams (both customers of ours and not), here are the recurring themes we've heard as reasons for not engaging the market beyond their customers.

Customers Provide Lots of Feedback
Most product teams could easily fill their roadmap for the next year with enhancement requests from customers alone.

Account managers and customer success teams provide a steady stream of feature gaps identified by people who write checks. When a paying customer calls out a problem, it's hard not to prioritize it. Of course, the more customers you have, the more problems they'll find.

Talking to Potentials Is Hard
Most businesses started with the founders fielding surveys, leveraging their personal networks, cornering prospects at conferences or stopping people on the street—whatever they had to do to get market validation. Getting feedback from strangers takes more hustle than smarts, and the hustle loses appeal as the customer base grows. Talking to customers is easier and faster. And since every product team is strapped for time, hitting up the usual suspects beats hitting the pavement and building new relationships.

User Analytics Provide Cover
We've all benefited from the evolution of user analytics tools, but they can also allow us to justify staying at our desk instead of getting out and talking to the market. The more we measure, the more opportunities we find to polish the product. There's only so much space on the roadmap, and once it's filled with UX enhancements, there's no point in hunting for new problems you don't have the bandwidth to address.

Occasionally we hear these lines from successful startups, but usually it's coming from an established name in the industry. Here's why it's a mistake.

Why Product Managers Need to Talk to the Market

Reason 1. We're Failing at Our Most Important Job

Enterprise software companies in North America spent over $3 billion on product management and market research in 2016. That's a lot to spend on figuring out what to build and whether you got your money's worth.

In an open-ended survey last year, we asked product managers about their No. 1 problem; a whopping 60 percent said their top challenge was not knowing what to build. And in Pragmatic Marketing's 2017 survey, 35 percent of respondents reported having to add custom features to win a deal in the previous year.

Those numbers point to the same product failure from different sides. If you're out of touch with the market, you're much more likely to pinball from one sales fire drill to another. Getting outside the building and outside the customer base is the only way to break the cycle.

the user researchers have at companies I don't think of as particularly design-driven. And while quantifying the user experience greatly helps refine what we build, it can't tell us what to build in the first place. Buyers and potentials, two of the three critical constituencies, are invisible to user analytics. User testing is no more a strategy for a software company than Six Sigma is a strategy for a manufacturer.

Reason 4. Customers Resist Big Changes

Relying exclusively on current customers for feedback fosters incrementalism. Think about it like this: When a customer bought your product, the thing it does was a top priority for them. So they signed the deal, implemented your solution and moved on to the next priority. Now that their attention is elsewhere, they just need your product to keep working.

Customers don't want to retrain their teams if your product changes. As a general rule, they'd rather you not focus on

> **If you're out of touch with the market, you're much more likely to pinball from one sales fire drill to another.**

Reason 2. Your Customers Don't Care if You Grow

Occasionally, we hear from a product team that their high-touch relationships with customers keep the backlog well stocked with improvements. I've struggled to find a nice way to say, "Your customers don't care if your business grows by 2 percent or 200 percent next year," but it's the truth. Customers, even great ones, care that you'll be around to provide the services they need at a price they like. They care about their shareholders, not yours.

Part of the art of product management is balancing investments that make current users' lives better against investments to get more customers. Current users may be great at identifying how you can make their lives better, but they're not necessarily good advocates for the people you still need to convert. If you don't actively seek feedback from potentials, you're betting that what your current customers want will also be what wins over new customers. That should make you nervous.

Reason 3. A Great User Experience Is Not a Strategy

It feels like the enterprise software industry has shifted from treating UX as an afterthought to it becoming a core competency. I'm often surprised by the level of influence

things that don't benefit them. However, those might be the things your product needs most to expand and keep pace with the innovation occurring in your space. If your product needs major changes to stay competitive, there's a good chance you won't hear about it from today's customers until it's too late.

Allocate Time

If you're in a product role, build in time to meet with potentials. It's an intrinsically worthwhile activity, but one with a value that is uncertain at the outset. That's the rub: You won't know what you're missing if you don't do it.

But getting all of your market feedback from current customers stakes your product on a risky assumption that today's customers will provide all the feedback and inspiration you need to build the right product for tomorrow's customers. Those are not great odds. **PM**

About the Author

Christian Bonilla is the founder and CEO of UserMuse, which connects B2B product teams with their target users and buyers for research interviews. He founded UserMuse after 10 years in B2B product management roles at different startups. He is a *Fast Company* contributor and also writes regularly for Mind the Product. You can reach him at christian@usermuse.com.

How to Become a Marketing Scientist

BY ELIZABETH BRIGHAM

CLOSE YOUR EYES FOR A MOMENT AND TRANSPORT YOURSELF BACK to your grade-school or middle-school class where you were first introduced to the scientific method. I'll wait.

As I remember, Mrs. Cain taught us about making observations, hypotheses, dependent and independent variables, putting together a lab plan, observing what happened, taking copious notes and then drawing conclusions relative to what our hypotheses were. Were we correct? Incorrect? If incorrect, why? How could we reconstruct the experiment in a different way to test our hypothesis further? If correct, what were the proof points? What data did we have to support our conclusions?

This is the same structure we should embrace as marketing leaders, but too often, we get caught up with the shiny pennies and funny names—growth hacking, content marketing, inbound marketing, social marketing, influencer marketing—that we don't stop to think about actually developing a strategy and testing

it. These channels and tactics are NOT a marketing strategy; they're ways in which you execute and test a hypothesis based on careful understanding of your target market, their pain points, and the product or services you're trying to sell.

THE MARKETING SCIENTIFIC METHOD

1) Observe

"You never know someone until you've walked around in their skin."

Ideally, before you build ANYTHING, you have identified a group of people who share a problem. Perhaps this arises from a personal issue you experienced and for which you haven't found a solution. Once you start talking to others like you—maybe other moms, students, engineers, marketers, whatever the segment—you realize that you all share this problem and collectively haven't

found a solution. Aha! Invention, or perhaps just innovation on an existing tool or service that isn't cutting it, begins!

"Get Curious. Talk to People."

Continue your observations at scale. How many other people have the same problem? They may not look, talk or live like you do (this is the issue with relying too much on demographics to segment a market), but they must have the same problem and no viable solution.

When you find people with the same problem, talk to them and ask questions to draw out why they have this problem, what they've tried to do to solve it and why it's not working. Take notes. Tons of notes. Code them in a way that allows you to identify patterns that will help inform a more quantitative way of surveying a larger group.

You don't have to hire a fancy research firm to do this; indeed, it isn't in the budget for most. This is where that network you've been building for your entire life comes in and where social media can be particularly helpful. Crowdsource with friends and family. Walk the streets in your neighborhood. Eschew that advice to never talk to strangers (I'm particularly a fan of talking to Lyft drivers).

When you think you have enough qualitative information to begin crafting and testing your hypothesis at statistically significant scale, start codifying and prioritizing your questions. Then sign up for free or free-ish tools like Google Surveys or Survey Monkey.

Be respectful of your audience's time, however, and think about small rewards that you can provide. You'd be surprised how responsive people are when you offer them a free cup of coffee. You don't necessarily need to give them $100 in exchange for 30 minutes of their time.

You'd be surprised how responsive people are when you offer them a free cup of coffee.

2) Develop Your Hypothesis

Develop a hypothesis rooted in audience observation that includes the following information.

Audience definition (aka "persona" development; for B2B marketers, you may also include definitions of target organizations/companies)—This needs to be human and comprehensive. Stating "male 25 to 35 years old who lives in San Francisco" is insufficient. You need to know everything about this guy: His name is George; he grew up in Portland going to the Oregon coast with his family every summer. He's 32 and is a civil engineer working for the San Francisco city government building and repairing bridges. In his spare time, he enjoys extreme sports and hiking with his girlfriend of two years. He just rescued a greyhound. He volunteers at a soup kitchen once a month and his favorite place to visit is Paris at Christmastime. *That* level of detail. You want this person to come to life because then you can find this person and others who look/act/think like him and are likely to have the same problems for which you have a solution.

Product and service definition—What are you attempting to sell to this audience, and how will you support these customers?

A compelling reason to buy—Why are you uniquely qualified to solve the customer's problem? If you listened carefully and crafted the right questions during the observation phase, this should be a summary of what you heard and why you believe you're special. Yes, we're all special snowflakes, but you need to make a compelling argument. This is the crux of the hypothesis you're going to test. This positioning should NOT change over the course of this experiment. While your audience messaging may change, the fundamental value you provide should not change until you have data that leads you to conclude your hypothesis was incorrect.

Quantitative and qualitative goals to measure success—Here's why many marketers fall down: They don't begin their process with quantitative and qualitative benchmarks in mind. If you're starting from scratch, the most logical place to focus is on the quantity and quality of leads. For example, if you have one salesperson on staff, maybe they can process 50 leads a week. So set your weekly target at driving 50 leads. At the end of the week (or maybe even daily), sit with this salesperson to assess

Becoming a marketing scientist forces you to think differently.

the quality of each lead. Did you hit the right target based on the characteristics laid out? Were they qualified? Were they in the right spot in their buyer's journey? What questions or objections did they hear on the calls?

3) Experiment and Collect Data

This is your marketing execution plan. Ideally, it will contain the following five components.

Messaging map—A set of statements tailored to the needs/wants/desires/perspectives of each persona you identified above. In this testing phase, you'll want to develop a few sets of variants for each message, maybe changing a few words or how you contextualize things across different channels.

Prioritized channels and spend—Based on your understanding of the audience, where do they hang out and how will they be most receptive to your messaging? For example, if you're offering a consumer product or service, does it make sense to reach them on Facebook? If you're offering a business product, should you reach them in trade journals or at events?

The good thing about channels like social and paid search is that you can test your messaging across audience segments and messaging variants for a relatively low spend (hundreds of dollars or even less, depending on your target audience). Armed with a few weeks of data from these tests, you can look to scale or increase spend on the channels and the messaging that's proven to work.

Partnership with sales—The sales team should be your best friends. They're talking to your audience daily so they hold golden nuggets of information. Schedule a weekly session between your entire marketing team and key sales teammates to review analytics and qualitative insights from sales calls. These need to be sessions where everyone brings their recommendations based on what they've observed and where you take action for the following week. In effect, this is sprint planning.

Monitor the market—We marketers can't operate in a vacuum. It's important to keep tabs on competitors: what they're saying, doing and maybe not saying to the market. Are they changing pricing? Have they announced new partnerships? Are they acquiring other customers? Who are they hiring? This should be someone's full-time focus (or at least someone's half-time job), depending on how competitive and established your market is. If you're creating a new category or market, good for you

for getting your first-mover advantage on, but beware of new entrants. Don't get complacent.

Pricing and packaging—These topics can be separate experiments unto themselves but should always be included in your overall plan. Pricing and packaging can severely affect—in good and bad ways—your success. While all of your other variables—messaging, channels, sales execution, etc.—may be spot on, the reason why you don't see traction may be due to a disconnect between pricing, packaging and the target customer's perceived value of your offering. Take heed and pay attention to this piece. If you need help, ask your finance team to put together scenarios based on the margins that need to be preserved, the audience's willingness to pay and the competition.

4) Draw Conclusions and Take Action

People often ask about the ideal length of a marketing campaign or plan, and therein lies the problem. Many marketers see them as finite activities with binary outcomes, much like political campaigns: There's a prescribed length of time and at the end you have a winner and loser. Becoming a marketing scientist forces you to think differently. Your work is never complete, and there's always room for improvement. Embrace the power of experimentation, data and action to build better businesses and drive growth in the global economy. **PM**

About the Author

Elizabeth Brigham is the head of product marketing, advisor and asset management software at Morningstar Inc. She leads a team that crafts and executes go-to-market strategy and demand-generation programs. Her experience includes product management and marketing at Walt Disney Parks and Resorts, Jive Software and consulting for various tech startups in Chicago. She holds a BA from Davidson College and an MBA from the Ross School of Business at the University of Michigan. Follow her @esbrigham on Twitter.

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GREAT EXPECTATIONS:

What Should You Expect From Your Product Team?

BY STEVE GAYLOR

AS AN EXECUTIVE, YOU KNOW THAT PRODUCT TEAMS ARE ESSENTIAL to the business. You rely on them for strategy, research, recommendations and more.

But even with all the faith you place in your product teams, you may not know exactly what to expect of these product managers and marketers. And that's frustrating for you and your team members.

Communication is essential—speaking the same language, agreeing on responsibilities and deliverables, and aligning to the company's bigger strategy. And the Pragmatic Marketing Framework is a good place to start to help everyone, from team members to executives, align on the structure and responsibilities of product teams. It also helps ensure everyone is speaking the same language.

Once your organization and structure are in place, you can establish priorities and define deliverables based on this fundamental common understanding. So what are those priorities and deliverables?

The Messenger of the Market

Above all else, a product team needs to provide the organization with an understanding of the market. At the core, that means being the voice of the customer, though the market is certainly larger than just your customers.

With their understanding of the market and its context, your product team can evaluate potential new opportunities, whether they stem from the market or from your employees. That evaluation process leads directly into product strategy and vision—the problem you're trying to solve, your big-picture goals and how you're going to accomplish them. Once vetted by the product team, those opportunities can be presented to the executive team for initial review and to gain approval for further detailed analysis.

Of course, to take an idea to market, you also need to identify sales and marketing channels, the right messages and

the positioning. Other parts of the organization are responsible for delivering those artifacts—the sales team for selling, the marketing team for developing the messages, the development or engineering teams for actually creating the products. But before anyone can execute on those responsibilities, your product team must fulfill its essential role as messenger of the market and share that knowledge with the rest of the organization.

The Key Deliverables

Next up, you need to assign tasks. A product team should be creating several basic tangible deliverables as the messenger of the market.

Market visit documentation. First and foremost, your product team should be engaging in market visits, documenting them and then sharing that documentation. The information from those visits is extremely valuable to the rest of the company.

The documentation should cover who they met with, their role and the topics discussed. Most importantly, it will document any problems uncovered during the visit. What are the unresolved issues that a company or person is facing that could lead to opportunities for your organization?

Regardless of the primary intent of any specific meeting, a product team should capture as much data as possible, documenting everything and using broad categories—the buying process or key interactions, for example—in the reporting.

Executives vary in style and preferences for the shared information, of course, but mostly we want succinct, quick, easy-to-understand, fact-based and clear documentation. Have the conversation with your product team to make sure that the final reporting aligns with your expectations.

> Download a template to document your market visits at: pragmaticmarketing.com/marketvisit

Business plan. The product manager is often referred to as the CEO or president of the product. As an executive, you should expect a well-thought-out business plan that you and your product team can use as a tool in evaluating your success. These business plans should go beyond the numbers that are often the focus of discussion. You should understand the methodology and assumptions that drove the numbers, as well as business strategy elements like distribution channels, product portfolios, and buy, build or partner decisions.

Positioning documents. Positioning documents allow the product team to summarize what they've learned through their interactions in the market, providing the rest of the organization with context and understanding of the problems you're trying to solve. This is an important artifact to everyone involved in the success of the product. Imagine if your sales collateral and sales team referred to the same key market problems that were reflected in your marketing and messaging. And that those were

> It's your job to hold the product team accountable. But even more important is empowering the team.

the same problems the development organization was focused on solving, which just happened to be the same market problems that executive team members described when interacting with press, analysts and other market influencers!

Roadmap. One or more members of the product team should be responsible for road-mapping. If the positioning document describes the big picture goal that you want to accomplish, the roadmap is a statement of vision that translates the big-picture goal into deliverables over time. Much like a traditional roadmap, the product roadmap starts with where you are today and describes where you want to go in the future and the route you plan to take to get there. It is not a quarter-by-quarter description of the features that you hope to deliver to the market.

Buying process. The product team should take the information they've gleaned from the market to help define the buying process so that the company can understand its buyers and how they make decisions. Then, that information should be mapped into a selling process. Ultimately, this should help you be efficient, allowing you to give your buyers the information they need and swaying that buying decision in your favor.

Metrics. Expect product teams to report on key metrics—customer satisfaction and market share, for example. After all, the product's success drives the evaluation of the product team. Ask questions like:

- Are you achieving the goals set forth in the business plan? And if not, why not?
- Are you hitting our revenue numbers?
- Are you pursuing deals that make sense?
- Were your assumptions solid?
- Are you generating the results you expected to on a product-line-by-product-line basis?
- Are you losing potential profit through inefficiencies in your internal operations?

Ask the questions, and assess those metrics with your product team.

The Executive's Role

Clearly, it's your job to hold the product team accountable for their deliverables. But even more important is empowering the team. Give them the time and resources to focus on strategy, and support their efforts to get into the market.

For product teams—and companies as a whole—to succeed, you need to effectively communicate the corporate strategy. Take the time to define that strategy and to share it. Your product teams have to know what the corporate approach is so they can create product strategies that support the big picture.

In fact, the person sitting at the front desk greeting visitors to the company should know that strategy just as surely as the people who are answering questions on your customer support line and those who are developing your products.

The skills companies need in product managers and product marketers are often not part of formal university education. For that reason, it's also essential to set aside a professional-development budget to ensure your product team receives the ongoing training and skills development they need to be successful.

Part of leadership is trusting your product teams, providing them with what they need to do their jobs, and then getting out of the way. And when everyone understands their roles and responsibilities and the key deliverables, it sets up everyone for success. **PM**

🏃 About the Author

Steve Gaylor is an instructor at Pragmatic Marketing who has been developing product management and marketing teams and growing organizations for more than 25 years. He has demonstrated success in strategic-leadership roles, providing solutions to a broad variety of industries, including electronics, consumer products, IT and financial services. Prior to joining Pragmatic Marketing, Steve held executive-level positions in companies ranging in size from six to 82,000 employees, including Texas Instruments, Harbinger, Peregrine Systems and Inovis; his most recent role was as vice president of program deployment for PrimeRevenue, a SaaS company. He may be reached at sgaylor@pragmaticmarketing.com.

Some Surprising Ways Mobile Makes Us Feel Closer

BY SC MOATTI

WHEN I STARTED WORKING AT FACEBOOK, I remember being surprised by a sense of absolute urgency. The speed at which things were happening was striking.

I'd go to a colleague and ask for information that I knew would require some effort to compile. I expected them to respond something along the lines of, "Got it. Let me work on it and get back to you in a week or two because right now, I'm wrapping up these other three projects."

Instead, my colleague would say, "Wow, let me look into this right now. It might take me a couple of hours to compile the results. Is that okay? If that's too long, just let me know and I'll get someone else to help out."

How come people were so excited to work so fast and so hard?

The answer was, in fact, very simple. Facebook connects hundreds of millions of people who constantly share pictures, updates, messages. When something comes up, it needs to be addressed right away.

Most of us want to know immediately if someone tagged us in a picture. But are we becoming too connected to our mobile devices?

Some people (including myself at times) struggle to ever disconnect. We are always on our devices. Because every action on mobile is immediately recorded and broadcast, we compulsively obsess over every signal we get or don't get. It's been two hours already and no one commented on my post. Did I say something wrong? Why are people not paying attention? Maybe they don't like me anymore? Maybe they never did?

It's almost become cliché to hear complaints about everyone having their faces glued to their screens, stifling meaningful person-to-person communication. But do our smartphones disengage us from those around us, or connect us with them?

Some argue that people who suddenly shut down from a group and pull out their smartphone are detrimental to communities. But most of the time, I see people do this because they want to move the conversation forward, to be helpful. They want to fact-check something, or share a funny video. I don't think there's anything wrong with that.

In fact, research shows that mobile products create *deeper* bonds between users and their communities.

A study by the University of Florida, for instance, illustrates how mobile products make people feel more connected to those around them. A group of 339 undergraduates recently volunteered to answer questions about their smartphone activity. Interestingly, the study shows that heavy smartphone users who use their mobile devices to connect with others and the world around them have stronger social capital. For example, these students were more involved in their local community, had more trusted people they could turn to for advice about making important decisions and knew a greater number of people who could give them access to resources like professional publications.

> Heavy smartphone users who use their mobile devices to connect with others have stronger social capital.

Here's another example of how mobile makes us *more* connected to others.

A group of students was recently invited to participate in a simulation inside the Virtual Human Interaction Lab at Stanford University. The experiment was designed to make people aware of others' perspectives.

One of them recalls: "I followed this little girl from breakfast with the family, to her classroom, to the computer labs, and back to her tent, along the electrified barbwires surrounding the compound. In reality I was in the comfort of my living room, but my brain was tricked into believing I was in a Syrian refugee camp."

He was wearing Oculus Rift, Facebook's new mobile headgear, and wanted to understand the everyday life of these millions of migrants. Other students in the lab saw an alternate reflection of themselves in a virtual mirror. They became someone they're not: a woman, an elder or a person of color.

The demos include other avatars that throw abusive stereotypes at you. The intent is to make people more empathetic toward others.

The common thread is that, rather than relying on photos or video, the lab uses mobile technology to expand our boundaries and help us connect more intimately and understand each other better. It creates perspective and empathy.

So if, contrary to popular belief, our mobile products make us feel closer to others and our environment, are we then at risk of becoming too close? Are we going to lose ourselves in our mobile products, and gradually be replaced and controlled by them? Advanced AI getting out of our hands is a real and potentially serious threat, according to Stephen Hawking, Elon Musk and several other visionaries. They're concerned that by the time we realize it, it will be too late to take action.

Consider the hyper-realistic robot that was recently showcased at a tradeshow in Japan. The artificial woman was the latest in a remarkable series named Geminoids by their creator, roboticist Hiroshi Ishiguro. They are a modern version of man-made creatures that aspire to become human, like Pinocchio or Frankenstein's monster.

Geminoids don't just look approximately or barely human;

they look like actual humans. They have a smooth silicon skin, a friendly smile and natural hair. They come across as empathetic, blinking and fidgeting the way we humans do. They answer questions in perfect Japanese (or any other language).

They have crossed that awkward threshold called the *uncanny valley*, a term coined by robotics professor Masahiro Mori to describe the revulsion people feel when they interact with something that looks almost but not exactly like a human being.
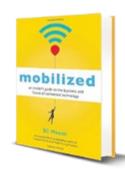
In any relationship—with our friends and loved ones, our mobile products, smartphones, VR headsets, or companion robots—our bonds are most tested when we go out among other people in the world. Social dynamics can be affected. It's no different with mobile: Our relationship with our mobile products can be challenged out there in the world and our communities.

Now, what do you do with that, and how does that help you build better mobile products?

One of the most disruptive aspects of mobile products is that they are with us always. To be successful, they need to understand what matters to us and our communities. This comes through personalization first. The more mobile products know about us, the more personalized they get. So people come to rely on them extensively and often become emotionally attached to them. It also comes through community. As our bond grows inside, so does the need for privacy and other social norms outside. And because mobile is still new in our lives, we have not yet established norms and rituals for it.

If you're building a mobile product, there are two types of filters you can use: internal and external. Internal filters enable personalization by learning about us, who we care about and where we go. Once they understand what matters to us personally, external filters allow the experience to be shared and enjoyed with other people. This is part of what I call the mobile formula, a set of three rules behind all successful mobile products. It is based on human-first principles because mobile products are new extensions of ourselves. What we expect from them is what we wish for ourselves: an attractive body, having it all together emotionally and getting smarter about the things that count. **PM**

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SC Moatti is a mobile veteran from Silicon Valley and a recognized thought leader on mobile, innovation and leadership. She currently runs Products That Count, an organization based in San Francisco that advises businesses on how to leverage mobile technology. As an executive at mobile pioneers such as Facebook, Trulia and Nokia, SC launched and monetized mobile products that are now used by billions of people and have received prestigious awards, including an International Digital Emmy Award nomination. To learn more, visit scmoatti.com.

QUALITATIVE WIN/LOSS IN ACTION

BY TODD MIDDLEBROOK

BEFORE JOINING PRAGMATIC MARKETING, I inherited a win/loss program run by the enterprise sales team at Microsoft. It had been established by a chief operating officer motivated by operational efficiency. He invested in win/loss tools and templates and introduced win/loss with an eye toward driving sales improvement.

A classification system accounted for why we won and why we lost. The lead salesperson made most of the calls; sometimes a sales engineer would join in. Their response rate was incredibly low. Few buyers would agree to do loss reviews, and they only had slightly better luck conducting win reviews.

The problem was that win/loss was being driven as a quantitative exercise. If anyone asked about which features we were missing or which ones helped us win customers, no one knew enough to be able to discuss it. And sales had been adhering to this format for a while when my team, the Enterprise Competitive Strategy group, was created.

Get Internal Buy-In

My team was responsible for all infrastructure products, like Windows Server, Windows Client and virtualization products. As a result, we were asked to conduct win/loss reviews on behalf of the sales organization. Our first stab at this was to call the account managers or technical salespeople and conduct the win/loss review by interviewing them.

We got a lot of pushback initially because the sales team believed they were being personally evaluated, instead of the buyers. The scenario looked like this: A salesperson would

agree to meet but often cancelled at the last minute because an important customer meeting popped up. Probably less than half the scheduled meetings actually occurred. This went on for the first three of the five years I was responsible for win/loss. In short, we did it wrong for a long time.

When we did get to talk to the sales team, all we heard was "the product isn't right" or "the price isn't right." But we could not get enough context to really understand the situation. Now, instead of having salespeople who couldn't speak to the real context behind the win/loss, *we* couldn't speak to the context. When we presented data to senior executives that we couldn't explain, we realized it was time to diagnose why we weren't successful. We determined that we needed to bypass sales and go directly to the source: our buyers. The sales team was not particularly excited for the same reason as before; ultimately, they were worried about personal criticism.

And although sales leadership had been willing for us to conduct win/loss reviews with their salespeople, when we wanted to conduct win/loss without the involvement of the sales team, a new wall went up. It took even more time to understand that sales leadership was frightened of the same thing their individual salespeople were worried about: They didn't want their sales organization to look bad to the rest of the company.

Once we understood their concerns, we began asking ourselves, "What are we trying to learn?" and "What are we trying to change?" And the answer was clear: We wanted to find the competitive advantage in our products, which is why it made sense for us to own win/loss.

When we realized the importance of understanding the competition and our position in the market, we also realized that to be successful we had to correctly position and explain what we wanted to learn. We wanted to understand in the aggregate. We wanted to understand the patterns, we wanted to understand our buyers. We wanted to understand the patterns of our engagement with the different competitors, their strengths and our weaknesses. To do that we had to revamp the win/loss process.

We also had to figure out how to explain to sales why it would be in their interest for another team to conduct win/loss reviews. What was in it for them? Equally important, the sales reps had to know that we wouldn't make them look bad.

At the end of the day, it was about making the sales team more effective. But this was a sales pitch I couldn't make as a director; it required executive buy-in. The first step was to sell my own organization, then our general managers had to convince the sales leadership.

How did we do that? Well, as an engineering-led organization, the content that was created for the sales team focused on new product features and how to use them. We discovered that the field had been creating unsanctioned PowerPoint decks. Why? Because they worked. The content they received from corporate didn't support sales-buyer conversations.

We included this information in our pitch to the sales leadership: Your teams are creating this content out of necessity. We believe that by doing the win/loss calls, we will make them more effective by creating better content for them.

Go for the Easy Win

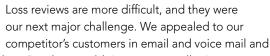Because it was important to demonstrate value up front, we initially focused on conducting win calls. Win interviews tend to be a little easier to schedule because everybody likes to celebrate a win. It's like a new marriage; everybody is kind of giddy.

We focused on recognizing patterns, not whether a particular salesperson did this or delivered that. When sales saw that information, they came on board.

At the end of the day, it's about making the sales team more effective.

Sell Externally

Loss reviews are more difficult, and they were our next major challenge. We appealed to our competitor's customers in email and voice mail and we followed up. But they wouldn't return our calls. Again we had to consider their concerns; it turned out they were afraid we might try to change their minds.

We didn't see results until we explicitly said, "We are not members of the sales organization. No salesperson will follow up with you." Once they realized we weren't part of the sales organization, they began to talk.

We still had one more hurdle to overcome: Even if they believed that no one from sales would follow up, they didn't want to regret their decision. ("I've just made a multimillion-dollar purchase; I don't want to realize that I made a bad decision.")

We focused on being empathetic and understanding them rather than on our engagement with them. What were their key initiatives and why did they go shopping in the first place? Who were the decision-makers and where did the budgets lie? What were their internal concerns? It was more delicate when we asked them what worked and what didn't work about us, but it helped that we had made it an empathetic exercise first.

Once we cleared these hurdles, we got a good response rate. However, many respondents cited the same reason why they couldn't do a call: They were too busy; it would take too much time.

My response was to request short calls. I never asked for more than 30 minutes, and I was willing to negotiate. I'd say, "If you don't have 30 minutes, how about 25, how about 15? Could you do five minutes right now?"

It was kind of funny because one person said, "How on earth are you going to do a good loss review in five minutes?" But they agreed to a five-minute call. I watched the time and when five minutes was up, I said, "You said you would give me five minutes, thank you so much" and I was ready to hang up.

They said, "Well, I can give you another 10 minutes." It dawned on me that they had been afraid I might try to change their mind until they heard my questions, which weren't ones a salesperson would ask.

Conducting win/loss calls should be a qualitative exercise. It's not about creating charts. It's about understanding your market and buyers. What's going on with them? How do they make decisions? Are they cost conscious? Are they risk conscious?

Wins vs. Losses

We can glean important information from both loss reviews and win reviews, yet there's a tendency to emphasize losses over wins because we want to know why we're losing and who we are losing against. Loss reviews are definitely valuable for that, and they can help reset expectations. Competitive landscape patterns will also emerge from your loss reviews, offering an opportunity to gain insight into customers and understand what else is going on outside of your engagement.

Win reviews, though, can also be enlightening. And more people are willing to participate. You can discover why people buy your products. At Microsoft we thought it was because the features and functions of our products were so great. But we discovered that the decision was actually based on product features and capabilities less than 10 percent of the time. Instead it was based on our ability to sell and market to them.

Although we had to meet the features and functions required by the technical decision-maker, most of the time the reasoning came down to our ability to satisfy that we could deliver value to the buyer. We had to understand the customer's pain and demonstrate the value of why they should enter into a relationship with us.

> **Competitive landscape patterns will emerge from your loss reviews, offering an opportunity to gain insight into customers.**

With win reviews, you're essentially listening for people to tell you why they bought your product so you can go out and repeat the process with other people. With loss reviews you're asking people to help you be a better vendor: Even if you didn't buy from us today, help us be better for you in the future and maybe you'll buy the next product from us. The painful lesson my team learned is that if these win/loss conversations aren't managed correctly, you'll miss the opportunity to collect the valuable information needed to be an effective vendor. **PM**

About the Author

Todd Middlebrook is an instructor at Pragmatic Marketing, with more than 20 years of experience as a leader in product management and marketing at companies ranging from startups to some of today's biggest technology companies. As director of worldwide enterprise competitive sales for desktop and services at Microsoft, Todd led and supported one of Microsoft's most effective sales forces. He also served as product manager at IBM Tivoli Software, product line manager at Torchquest Inc. (formerly 2ndWave, Inc.) and vice president of product management at Virtual Bridges. He may be reached at tmiddlebrook@pragmaticmarketing.com.

A PRAGMATIC APPROACH

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Clarify roles and responsibilities to simplify delegation.

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Partner with Sales

Schedule weekly sessions between your marketing team and key sales teammates to review analytics and qualitative insights from sales calls.

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Above all else, provide the organization with an understanding of the market.

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Know Your Audience

To build better mobile products, you must first understand what matters most to users and their communities.

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Target Easy Wins

Before you conduct loss calls, conduct some win calls to identify patterns and gain initial success.

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