PRAGMATIC MARKETER

PRAGMATIC MARKETING

WINTER 2018

THE GLOBAL ISSUE

I N THE LAST TWO YEARS, PRAGMATIC MARKETING has taken our training all around the globe, adding sessions in Australia, Singapore, Germany and India, just to name a few of the newest locations. In preparation for this, I held a whole series of market visits to help understand what, if any, differences existed in the market (alas, for Australia I was only able to do them by telephone).

From the 50,000-foot level, it looks like a product manager is a product manager is a product manager, no matter where they are. And there is a TON of commonality in terms of problems, processes, goals, etc.

But as you zoom in, as you talk to the individuals in these various areas, you start to uncover some unique needs and perspectives. Some are very specific and very tactical: language needs, terminology used for positions, typical working hours and lunch lengths. Some are more nuanced: how roles are valued, the maturity of different professions, the importance different regions put on education. All of these factors were important for us to determine whether a market was a good fit and how best to pursue it.

Of course, bringing training to international markets doesn't even have a fraction of the complexities that some of your products face. That's why in this issue of *Pragmatic Marketer* we're providing myriad articles to help you in today's global market—from firsthand accounts of successes and failures to tips for entering the enormous Chinese market, as well as how you should change your thoughts on content for today's world.

And as always, we love to hear feedback from our readers. So if you've got a tip of your own to share or an idea for a future article, reach out to us at editor@pragmaticmarketing.com.

Happy reading,

Rebecca Kalogeris
Editorial Director
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PRAGMATIC MARKETING®

pragmaticmarketing.com

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.

THE GL⊕BAL ISSUE

FEATURES

DEPARTMENTS

Sign up for your free *Pragmatic Marketer*
subscription, delivered quarterly via email,
at pragmaticmarketing.com/subscribe.

It's a Small (Product) World

The global product community features myriad opportunities for professional learning and growth, including conferences, meetups and more. Here's a small taste of what's available.

Business of Software

With a focus on entrepreneurs and established and emerging leaders, Business of Software (BoS) describes itself as "a friendly conference for independent thinking people running successful software businesses." BoS hosts two annual conferences: BoS Europe, May 21-22, London; and BoS USA, Oct. 1-3, Boston, MA. businessofsoftware.org

INDUSTRY

INDUSTRY bills itself as the world's fastest-growing product management conference and holds annual events in Dublin, Ireland, April 23-24; and Cleveland, Ohio, Oct. 1-3. global. industryconference.com

Mind the Product

With 50,000 members in 125+ cities across the globe, MTP runs the world's largest community of product managers and hosts two annual product management conferences: San Francisco, July 16-17; and London, Oct. 18-19. It also hosts a regional mini-conference in Hamburg, Germany, April 19-20. mindtheproduct.com

ProductCamp

ProductCamp is a free, user-driven, collaborative "unconference" for product managers and product marketers. Amsterdam, Netherlands; Vancouver, Canada; and Hyderabad, India, are just a few cities hosting PCamps this year. productcamp.org

Product Management Festival

The Zurich, Switzerland-based festival, Nov. 14-15, provides a platform for participants to learn, exchange ideas and grow as they focus on innovation, communication, digital, industry and software product development. productmanagementfestival.com

Products That Count

One of the world's largest communities of product managers, leaders and founders, San Francisco-based Products That Count hosts invitation-only executive retreats in San Francisco. They also host a monthly speaker series in San Francisco, New York and London. productsthatcount.com

Stupendous Stockholm

Sweden's coastal capital encompasses 14 islands and boasts more than 50 bridges. Founded as a city in 1252, Stockholm is the most populous city in the Nordic countries and is also one of the world's most prolific tech and startup hubs, second only to Silicon Valley.

Skansen | skansen.se
Past meets present at the world's oldest open-air museum, which includes 150 farms and dwellings representing every region of Sweden. Discover how Swedes once lived and see animals native to Scandinavia, including wildlife, rare breeds and pets.

Vasa Museum | vasamuseet.se
Scandinavia's most visited museum is named after Vasa, the only preserved 17th-century ship in the world. Decorated with hundreds of carved sculptures, more than 95 percent of the ship on display is original. ▼

Stockholm Metro | visitsweden.com/stockholm-metro-art
For the price of a subway ticket, you can visit what has been called the longest art gallery: More than 90 of the subway's 100 stations feature artworks by 150 artists.

Stockholm City Hall
international.stockholm.se/the-city-hall/tours-of-the-city-hall
Tour one of Sweden's most famous buildings, which features grand ceremonial halls and unique artworks and is the venue for the annual Nobel Prize banquet.

The Nobel Museum | nobelcenter.se
Follow the changes of the 20th century as seen through the Nobel Prize and laureates. All the essential information about the world's most prestigious prize is housed here.

Oaxen Krog & Slip | oaxen.com
Divided into two restaurants, the "slip," a casual Swedish bistro, and "krog," where you can engage in fine dining, Oaxen features locally sourced and seasonal flavors. Located in a boatyard, both restaurants are housed in a refurbished shed.

Gamla Stan | visitsweden.com/stockholm-old-town
Dating from the 13th century, Stockholm's oldest district is one of the best-preserved medieval city centers in the world. Explore the winding cobblestoned streets filled with cafés, restaurants, galleries, museums and the Royal Palace.

Vete-Katten | vetekatten.se
A Stockholm tradition since 1928, this patisserie is an excellent spot to indulge in a Swedish "kikapaus" or coffee break.

Omnipollos Hatt | omnipolloshatt.com
If you're craving pizza and a beer, this is the place for you. The brewpub features 10 rotating taps of Stockholm-based Omnipollo beer and a variety of wood-fired pizzas.

Stockholm Adventures | stockholmadventures.com
Sign up for a kayak tour to explore the city's many islands during the summer, or for an ice-skating tour during the winter.

ABBA: The Museum | abbathemuseum.com
Not only is the permanent exhibition full of requisite memorabilia—original costumes, instruments, gold records, awards and more—it's an interactive experience that encourages you to sing, dance, mix music and try on virtual stage outfits. You can even record your performance and download it. ▼

What Are You Worth Where?

From one end of the the globe to the other, Pragmatic Marketing takes a look at the salaries of product professionals from around the world. So regardless of where you're headed, you'll know what to expect and what you could earn when you arrive.

Country: US **Gender:** MALE **Age:** 37

Duration: 4.7 YEARS IN PRODUCT 1.5 YEARS IN ROLE

Education: MASTER'S **Work Week:** 46 HOURS

Salary: $111,500 **Bonus:** $10,000

USA

>>>>>>>> 72% TIME SPENT ON TACTICAL ACTIVITIES

Country: IND **Gender:** MALE **Age:** 29

Duration: 3 YEARS IN PRODUCT 1.5 YEARS IN ROLE

Education: MASTER'S **Work Week:** 48 HOURS

INDIA

Salary: $74,000 **Bonus:** $3,800

>>>>>>>> 70% TIME SPENT ON TACTICAL ACTIVITIES

Country: CAN **Gender:** MALE **Age:** 34

Duration: 4.1 YEARS IN PRODUCT 1.3 YEARS IN ROLE

Education: BACHELOR'S **Work Week:** 45 HOURS

Salary: $90,500 **Bonus:** $6,300

CANADA

>>>>>>>> 71% TIME SPENT ON TACTICAL ACTIVITIES

Country: IRE **Gender:** MALE **Age:** 40

Duration: 4.5 YEARS IN PRODUCT 1.5 YEARS IN ROLE

Education: MASTER'S **Work Week:** 43 HOURS

IRELAND REPUBLIC OF IRELAND

Salary: $95,000 **Bonus:** $10-25,000

>>>>>>>> 64% TIME SPENT ON TACTICAL ACTIVITIES

Country: AUS **Gender:** MALE **Age:** 35

Duration:
5 YEARS IN PRODUCT
1.1 YEARS IN ROLE

Education: BACHELOR'S **Work Week:** 41 HOURS

Salary: $126,000 **Bonus:** $6,000

AUSTRALIA AUSTRALIA

>>>>>>>> 83% TIME SPENT ON TACTICAL ACTIVITIES

Country: UK **Gender:** MALE **Age:** 37

Duration:
4.3 YEARS IN PRODUCT
1.1 YEARS IN ROLE

Education: BACHELOR'S **Work Week:** 44 HOURS

UK

Salary: $103,200 **Bonus:** $12,500

>>>>>>>> 73% TIME SPENT ON TACTICAL ACTIVITIES

Country: GER **Gender:** MALE **Age:** 37

Duration:
3.8 YEARS IN PRODUCT
1.25 YEARS IN ROLE

Education: MASTER'S **Work Week:** 51 HOURS

GERMANY

Salary: $102,000 **Bonus:** $13,000

>>>>>>>> 64% TIME SPENT ON TACTICAL ACTIVITIES

Country: FRA **Gender:** MALE **Age:** 35

Duration:
3.2 YEARS IN PRODUCT
1.5 YEARS IN ROLE

Education: MASTER'S **Work Week:** 40 HOURS

FRANCE • FRANCE • FRANCE • FRANCE • FRANCE • FRANCE • FRANCE

Salary: $71,700 **Bonus:** $5,000

>>>>>>>> 75% TIME SPENT ON TACTICAL ACTIVITIES

Based on results from Pragmatic Marketing's 2018 Annual Product Management and Marketing Survey. Salaries are calculated in US dollars. Look for the full survey coming soon at pragmaticmarketing.com/survey.

Q: We have been growing at 73 percent per year for the last three years. As we initiate new product plans, I sense that our team thinks our sustained growth rate is impossible to continue. Burnout is a contributing factor, but a disbelief in growth seems even bigger. How do I address this?

A: **FIRST, CONGRATULATIONS!** It's quite an achievement to grow a business so extensively. While I don't know your team, there are many reasons why they may be worried—or even resistant—when it comes to growth. Here are a few thoughts based on my experience.

Diane Pierson, Instructor
Pragmatic Marketing

Let's not spoil a good thing. Maybe you've grown to this point and still have lives outside the office. Or maybe you haven't had lives outside the office for years and some key people want to start. They may be thinking, "Can't we just be happy with our current success and rest on our laurels a bit?" Signs of this issue include increased absence, frayed tempers and a spike in mistakes.

If this is the case, it's time to add staff, even if it impacts margins. Then teach your leadership team how to delegate to get the most from those new hires. Staff expansion, alignment and leverage are key challenges for companies in rapid-growth mode.

What happens to me? The skills needed to lead a large business are different from those to lead a small business. If you were to add new staff, would your existing executive team report to *them*? It's possible your team is worried that they don't have the skills to remain at the executive level in a larger company.

Honesty is the best policy here. You can't keep the wrong people in key positions and maintain scale at this level. Treat everyone with dignity and respect, but don't extend someone's tenure for the sake of auld lang syne.

You're risking my financial future. Is your team voting with their pocketbooks? Does future growth require a higher debt load or reinvesting profits that might otherwise be distributed to the team? If so, they may see the risk you're willing to incur, or the financial sacrifice you're willing to make, as reducing the rewards for their hard work.

Ideally, find funds to keep rewarding this excellent team and expand. If it's just the risk and not the reward that's at issue, push ahead with calm aplomb; this is one area you can, if not ignore, then sweep aside concerns by explaining the facts.

I like the way things are. Some people like to work in companies where they know everyone's name. Decisions are made informally with everyone involved, and there's not a lot of rigid process or bureaucracy. They actually like chaos.

> Review your ideas with someone you trust outside of the company and encourage them to play devil's advocate.

These folks belong in a startup, or the R&D portion of your company, where they can wing it to their hearts' content. A sad but true condition of massive growth is that you may lose these folks if you don't have (or they don't want) an alternative role in the bigger company.

The plan IS the problem. When your trusted team is leery of moving forward, take a second look at the plan. Maybe it is too aggressive, or leads the company down a path that doesn't make sense. Review your ideas with someone you trust outside of the company and encourage them to play devil's advocate.

Nurturing long-term growth involves ongoing self-examination. It's a great problem to have! The scenarios and responses outlined above provide a good place to start. PM

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

WHY CHINA MATTERS

IN THE DIGITAL AGE, GLOBAL EXPANSION IS MORE IMPORTANT than ever. And it's a core requirement for what we want to do at Prophet: build brands, transform businesses and move society forward. Most of the companies we work with are either global already or aspire to be. And since the fastest-growing part of the global economy is in Asia, we're increasing our presence there, despite the intensifying competition. We're so sure that China is an essential bet that we recently opened an office in Shanghai. (We already have one in Hong Kong.)

China is a fast-growing economic superpower, but it's no secret that marketing in the country is incredibly challenging. While companies from around the world have been aggressively staking claims there for decades, growing tensions about international trade agreements have many on edge. And between China's blossoming middle class, emerging lower-tier cities and exploding digital landscape, there's been a baffling proliferation of brands.

That level of competition is enough to make some companies think that if they haven't moved into China yet, it's too late. Or even if they're already there but just treading water, it's time to pull up stakes and go home. Either decision would be a big mistake.

As a result of our own expansion into the region and the work we've done with clients—both Chinese companies looking for new growth and outsiders wanting to stake their claim in the Middle Kingdom—we've discovered six lessons that all companies considering global expansion should know.

1 GET COMFORTABLE WITH CONTRADICTIONS

While it's true that human beings are pretty much the same all over the world, Chinese consumers can seem very different to outsiders. One reason is that they are driven by two conflicting motivations, says Tom Doctoroff, a longtime China expert and Prophet senior partner. "They want to project their status, but they also want to protect their economic and social interests."

On one hand, Chinese consumers have a passion for luxury brands—they love to live in apartment buildings with over-the-top names like "The Gathering of All Heroes Under Heaven" and spend plenty on expensive wines drunk outside the home. On the other hand, many have sky-high savings accounts and harbor an obsession with *feng shui*, a philosophy that harmonizes design with the environment to minimize risk.

To navigate these contradictions, companies in China should maximize opportunities for brands to be consumed in public. Chinese consumers will pay a premium for goods consumed—and admired—in places where others can see them. Starbucks is an example of a company doing it right. Its real-estate strategy focuses on locations in first-tier office buildings, and stores are positioned as gathering sites for professionals. A cup of coffee with a Starbucks logo costs 30 percent more in China than in the U.S.

2 LOOK PAST THE BIG NUMBERS

Because China is so large, it's tempting to focus on its enormity and think of it as a monolith. After all, it is by some measures already the world's largest economy. Its 1.4 billion citizens are increasingly affluent and demanding, and it's got the biggest (and fastest-growing) middle class in the world. Looking at its sales potential, whether in units of cars or hamburgers or computers, the numbers can be

S MORE THAN EVER

BY
MICHAEL DUNN

mesmerizing. Snap out of it. The brands that are succeeding here are those that effectively target and segment this vast nation, appropriately tailoring the value proposition for their products and services in ways that are suitable for different needs. They're skillful about finding niches.

Prophet, partnering with Alimama, the marketing-technology platform of Alibaba Group, recently launched a new playbook for brand building in China called the *Brand META Model.* It blends China's unique online and offline characteristics with traditional brand-building tenets to help companies fuel growth and profitability. The model helps companies evolve their targeting efforts to take advantage of the greater amounts of data available in China. Moving forward, the focus of all targeting needs to shift beyond immediate transactions to the value customers can generate over a lifetime. And it means potential advocates and influencers should be identified and cultivated at an early stage.

To take advantage of a vast opportunity in China's high-end home-appliance market, Dyson enhanced its targeting efforts. It zeroed in on a tightly defined segment: affluent families with high-end taste, the kind of aspirational consumers who would respond most favorably to high-tech vacuum cleaners and air filters. Then Dyson used a sophisticated data-based approach, from pre-data fishing to generating long-term insights, to capture intelligence about those shoppers from the very beginning of their product search to post-purchase loyalty.

3 EDIT YOUR ENTIRE MARKETING PLAYBOOK

Prophet developed the *Brand META Model* because the need for a modified brand-building approach had become clearer than ever. Despite having access to vast amounts of consumer data and insights, too many companies still chase low-margin share. Local brands, especially, focus on building scale rather than equity. They create a product, find ways to distribute it quickly and widely, then drive awareness with consumers. The result? Product proliferation, commoditization, clutter—and bewildered consumers. Multinational brands, on the other hand, remain stuck in their traditional models of strategy, planning and execution, which has limited their growth, profitability and, ultimately, their relevance.

Omnichannel thinking is important all over the world, but it's essential in China. Brands need to create experiences that encompass all touch points. Marriott, which ranks as the No. 1 hospitality brand in Prophet's China Brand Relevance Index, has shaken itself free of its old approach, finding new ways to engage sophisticated travelers. That includes helping them find pre-stay inspirations through digital channels, elevating every aspect of the search and booking experience, and making it easy to share their experiences on social media. Even when traveling outside China, Marriott guests can make requests with a Chinese-speaking WeChat concierge and pay through Alipay.

4 ELEVATE YOUR E-COMMERCE THINKING

Until a few years ago, Chinese consumers tended to be skittish about online shopping. But internet giants went to great lengths
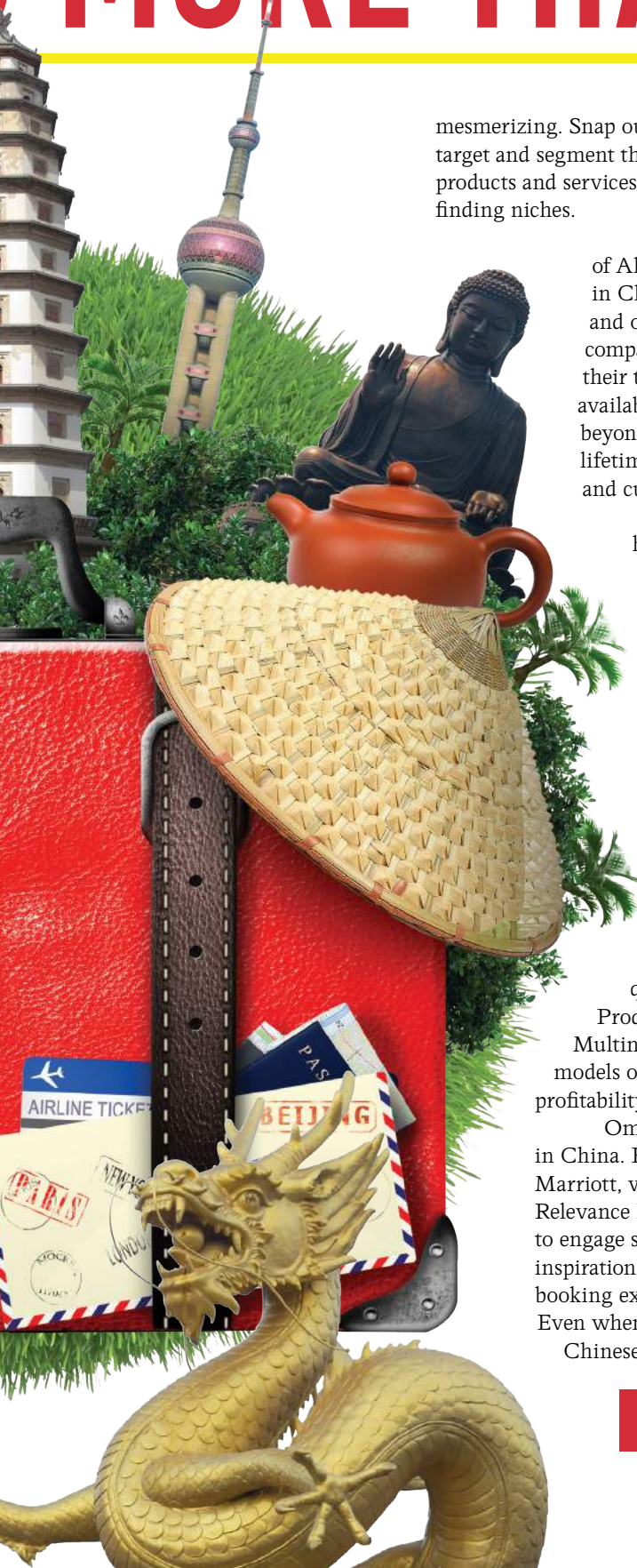
> Today's Chinese consumers are very future focused, and enjoy the liberated lifestyle that comes from prosperity and mobile technology.

to reassure them, and now they publicly have embraced it at levels outsiders can't quite grasp. For example, Singles' Day, conceived and organized by Alibaba, is the biggest e-commerce day in the world. Its date, 11/11, is significant because of the solitary implications of the number one. It created an astonishing $24.3 billion in sales in 2017, a 39 percent increase from 2016. (An estimated 90 percent of those transactions were made via mobile device.) And rival JD.com generated another $19.1 billion in the weeks leading up to the big day. Not only does the relatively new extravaganza dwarf Western events such as Black Friday and Cyber Monday, it means that Chinese consumers spend more than twice as much as Americans on e-commerce, even though their per-capita income is lower.

Led by online malls such as Taobao and Tmall, retail has become a source of entertainment and national bragging rights. Highly trusted online payment systems like Alipay make virtual transactions safer, and e-commerce offers endless opportunities for price and comparison shopping.

Alibaba is talking about e-commerce these days as "new retail," merging online and offline resources to create a better shopping experience. Nike is also a leader in this space, offering curated product assortments and exclusive services, such as online discounts for offline athletic-training sessions. The result for 2017 Singles' Day? Some 80 brands topped the 100 million yuan mark, and Nike did it in one minute.

5 BRUSH UP ON YOUR B.A.T. SKILLS

Experts reference China's B.A.T. digital ecosystem so often that it's easy for outsiders to think, "Yep, China has Baidu, Alibaba and Tencent, just the way the U.S. has Amazon, Google and Facebook." But although the comparison implies similarities, the universes are, in fact, vastly different. The scale of B.A.T. isn't comparable to U.S. companies, and grasping the immense opportunities that this data-rich trio offers marketers is difficult.

Baidu started as a search engine, just as Google did. But now it also offers Baidu Brain (an AI-based artificial neural network), Baidu Cloud, Baidu Music and Baidu Newsfeed. There's a food-delivery service, too, called Baidu Waimai. Tencent, the owner of social-media behemoth WeChat, just surpassed Facebook in market valuation and provides social networks, web portals, e-commerce sites, music streaming,

cloud operations, smartphones and extensive gaming. And Alibaba was founded as a business-to-business e-commerce portal. Today, the company has a market capitalization of $346 billion and dominates China's e-commerce. (It's bigger than Walmart and closing in on Amazon fast.) It includes both B2C and C2C e-commerce giants Tmall and Taobao, respectively, online payments through Alipay, as well as online entertainment, healthcare and investments.

All three companies offer many ways to harvest and compare data that can elevate good marketing to great.

OPPO is using data to shake up China's highly competitive smartphone category. By partnering with Alimama, it can tap into deeper consumer data, both inside and outside of Alibaba's ecosystem. It is able to categorize consumers into groups such as unaware, aware and interested and tailor messages accordingly. It can also track its engagement efforts in real time via an execution dashboard. This new approach has led to more successful product launches, found OPPO 300,000 new fans and boosted traffic by 120 percent.

6 EMBRACE THE OPTIMISM

One of the things I love most about China—and something most visitors usually pick up on right away—is its strong sense of energy and optimism. It's palpable. The pace is so fast, and there's a feeling of aspiration and possibilities. Where there was once one bike-sharing company, there are now close to a dozen. The speed and scale of expansion can be astounding. And there's a warmth and openness to the people that is inspiring. While it's an ancient culture, today's Chinese consumers are very future focused and enjoy the liberated lifestyle that comes from prosperity and mobile technology.

And all this vitality means that status can no longer be a static badge. Brands need that X Factor, the thing that helps combine timeless prestige with modern user experiences.

Mercedes-Benz has been a power brand in China for years, but there is nothing stodgy about its marketing messages. Its tone is youthful and energetic, and copy from its most recent Olympic ads nails the Chinese zeitgeist perfectly: "Nothing ages faster than past glory … Don't forget! Tomorrow is another training day."

As companies consider expanding globally, especially as they look at the opportunities in China, it is important to remember the lessons learned from the brands that have already made the leap. These six ideas will be helpful to keep in mind as you plan for your company's future growth. **PM**

🌀 About the Author

Michael Dunn is chairman and CEO of Prophet and has helped orchestrate the firm's tremendous growth over the past decade. This includes expanding the firm's global presence and enhancing Prophet's position as the premier brand and marketing consultancy. As Prophet's leader, Michael oversees the development of the firm's strategy, client relationships and people. He also serves as a strategic advisor on client engagements, and has deep expertise in the retail, financial services and technology sectors. Michael is co-author of *Building the Brand-Driven Business* and author of *The Marketing Accountability Imperative.* Contact him at m_dunn@prophet.com.

Planning a Launch:

Communicate Globally, Execute Locally

BY RICH NUTINSKY

PLANNING AND EXECUTING ANY PRODUCT LAUNCH is daunting, but planning and executing a global product launch increases the size and scope by an order of magnitude. Not only are there differences in geography and language to consider, there is also the local calendar. And that's just the beginning.

First, you have to identify the problem you want to solve. Does it exist for people in other geographic locations? Will your product universally solve that problem?

You will need to conduct market research to answer those questions. But remember, conducting research on your home turf won't allow you to extrapolate information that is relevant to other geographies; the problem you've identified may not be an issue there.

While there are plenty of variables, global launches generally fall into two main categories: phased and big bang. Big-bang launches, which indicate a simultaneous launch in all markets, are the rarest and most problematic. From a project-planning perspective, the more complex and larger an effort, the higher the probability of failure.

It is virtually impossible to take a one-size-fits-all approach; most launch activities simply don't lend themselves to a big centralized push across markets. Ideally, planning should be done locally and integrated into a comprehensive plan. If you plan for a launch in North America and expect to duplicate it in another region, you won't be successful. It's important to plan a variety of phased local launches that take into account the unique needs of each region. Here's a sampling of what to consider in this phased approach.

REGIONAL CONSIDERATIONS

Global launches are often staggered by geography, and the tasks that must be accomplished for each region will drive their launch dates. For example, are there language translations and content modifications to consider? What about legal registrations, trademarks and branding?

When I managed the global launch of a new line of products, something as simple as considering a region's holidays and buying cycles created immense complexity around timing the launch. Planning and execution of messaging was also a challenge.

Naming the product was another challenge because for every jurisdiction we wanted to enter, we had to make sure

Depending on the geography, product categories may be in different stages of their life cycles.

that we could use the same product name. If someone had already registered that name or a domain, we'd be back at square one.

These challenges were unbelievably detailed and required assembling a team with global representation, including marketing resources from the different geographies.

PRODUCT LIFE CYCLES

All products and product categories go through a life cycle: new, growth, mature, decline. Where your product and product category are in their life cycles will affect how you go to market. If your product is in a new, innovative category, your approach to launch will be much different than if you are in a mature product category where a lot of people already have the product.

This is important because depending on the geography, product categories may be in different stages of their life cycles. Therefore, you will want to localize the approach, message and timing of your launch to coincide with the specifics of a particular geographic market. You might include some activities in Asia, for example, that you wouldn't include in North America.

THE BUYER

As you look at global markets, you will find that customers use different decision levers depending where they are. They will buy differently in the Middle East than in North America, and Latin America will be different from Asia.

For example, in some regions companies guard the identity of their actual decision-makers from vendors to gain an advantage during the buying process. In other regions,

discounts are a routine incentive. Because the differences can be profound, it's important to understand whether a strong relationship is required to buy, or whether the decision is a straightforward economic one based on ROI.

Many businesses also discover that buying in a government environment is much different from buying in a commercial market. Not only are the processes defined differently, but the roles and players may change as well. Navigating all the red tape can become as challenging as delivering a compelling value proposition.

DISTRIBUTION CHANNELS

With all these variables, it often makes sense to employ different distribution channels in different markets. For example, launching a product in Japan through a Japanese channel partner will involve a very different set of steps and activities than if you work with your direct sales force. And if you want to do a regional launch in Europe, multilingual and multi-currency availability are key. But in the U.S. it doesn't mean a thing. When you go to market, the messages you want to deliver, the value propositions you want to create, must be localized by geography.

Major launches by companies like Apple may appear to be global. But if you look carefully, they usually kick off with a global marketing launch well in advance of the product's availability. In terms of when customers can get their hands on the new product and how it is delivered, the timing is usually staggered because of the approvals that are required across a variety of jurisdictions.

At a software company based in northern Europe, we twice tried unsuccessfully to expand into North America before determining that we needed to have local resources in North America to be successful. Once we got established in North America, we focused on expanding into the Middle East and the Asia-Pacific region. Finally, we looked at Central America. Through that focus we were successful.

The bottom line? It makes sense for most businesses to expand their footprint into markets one at a time. You need to consider the risk, complexity and localization involved in your launch. And even when you communicate globally, it generally makes a lot more sense to execute locally. PM

About the Author

Rich Nutinsky is a master instructor at Pragmatic Marketing, with more than 20 years of experience in the software industry. He has launched several successful software products using the Pragmatic Marketing Framework. Prior to joining Pragmatic Marketing, Rich served in various management and product management positions for companies including Arasys Technologies, where he was vice president of product management and development. He has provided consulting services to market leaders such as Microsoft, AT&T, DuPont, NEC, GE and Siemens, working with senior-level executives to improve their product strategy, product management and marketing processes. He may be reached at rnutinsky@pragmaticmarketing.com.

GO GLOBAL:

BUILDING AN EFFECTIVE TEAM ACROSS MULTIPLE LOCATIONS

BY LEE FULFORD

YOUR PRODUCT TEAM IS THE CONDUIT to your customer, helping you understand how users interact with your product and what's next in its evolution. So, when you have customers around the world, you need a global team who can reach that diverse audience. But building a cohesive, collaborative global team can be challenging.

Consider our situation: Travel agencies in more than 130 countries use the Travelport platform daily. Travel agencies' needs vary by region—rail transit is important in French markets, for example, while in Asia we have to support a growing number of low-cost airlines that are establishing operations. Our product team spans multiple regions to help us stay abreast of the demands of our various market segments.

Our product managers focus on the more strategic elements of the Pragmatic Marketing Framework, while product owners focus on execution and functional delivery. Our 10 product managers and owners are located across five time zones, interacting with a delivery team of more than 100 spread across an even larger area.

Using an agile-based software development methodology, collaboration among our product and delivery team members is imperative. And making that happen requires far more coordination

than it would if we were in a single location.

Over the years, we have learned many lessons and have adopted several practices to enhance our teamwork and productivity, including organizational adjustments, the effective use of communication tools and maximizing limited meeting time.

ASSESS THE CHALLENGES

Distance creates a number of challenges, including:

Challenge #1: Information silos. Because there are limited casual water-cooler conversations or ad hoc group discussions, communication must be deliberate and strategic; information must be shared explicitly. Without well-coordinated and planned communication, information silos can develop.

Our team has three main office locations in different parts of the world. Within each office, team members work closely together. They attend meetings in person and interact inside and outside of the office. Team members know what is happening within each location.

But sometimes people may not be comfortable communicating outside of their own location. As a result, information can become common knowledge in one location and not others. These information imbalances can lead to confusion on large projects.

Challenge #2: Email volume and calendar overload. When you're in the same office, it's easy to pop over to someone's desk to ask a quick question; but when separated by borders and time zones, the first instinct often is to send a quick email. With enough "quick" emails, the overwhelming volume can mean that inbox management replaces meaningful activities.

In some cases, scheduled meetings replace ad hoc discussions, and calendar management becomes—in the words of my co-worker—like "playing a hopeless game of Tetris."

Challenge #3: Time zone limitations. Spanning multiple time zones is the greatest challenge for remote teams, as opportunities for direct communication are limited. Our two largest offices are in Denver and London, which are seven time zones apart. There is just one shared hour (the "golden hour") of regular office hours between the locations. If the right stakeholders are not available at the right times, issues can take days to resolve through email or other scheduled meetings.

ADAPT YOUR ORGANIZATION

Making the best of a globally dispersed team takes strategic planning and communication. These common-sense best practices are making a difference:

Organize by time zone when possible. The most effective way to overcome the challenges of multiple locations is to organize teams by time zone. For agile delivery teams, working closely with the product owner is a key factor for success and effective workflow. When these teams can be online and available at the same time, they can make decisions faster. This requires strategic planning because you need skilled specialists spread across locations, allowing you to build deeper teams in each region.

Plan workshops and in-person gatherings at least once a year. Bringing team members together in person from all

> The most effective way to overcome the challenges of multiple locations is to organize teams by time zone.

of our locations requires a significant effort. However, it is vital that remote teams have the chance to meet face to face for working sessions. This allows for necessary relationship building and helps geographically dispersed teams bridge cultural or spoken communication barriers. While the travel expenses can be substantial for a large team, we have clearly seen the payoff in improved communication after the meetings. (And we've seen the opposite for teams who have not yet met in person.)

Express roles and responsibilities clearly. Product management teams become the one-stop answer desk for questions from across the organization, and in a global team it can be difficult to get the right question to the right owner—it defaults to whoever is nearest or online at the time. A clearly defined and published set of responsibilities made available to all stakeholders is key to ensuring that the right questions are directed to the right people every time.

USE COMMUNICATION TOOLS SMARTLY

On any team, effective communication is a must. Distance can add a layer of difficulty, but if you have the right tools in place, you can mitigate those challenges. Consider these ideas:

Take advantage of screen-sharing meeting tools. The ability to easily share your screen with remote team members is critical to a collaborative environment. We also often conduct sessions with customers using screen-sharing tools when in-person meetings are logistically prohibitive. They are great for webinars and product demonstrations as well.

Store key documents where everyone can access them. With any large organization, having a place to share information is key to minimizing avoidable questions and confusion. But this becomes even more important when working across multiple locations.

We use platforms like SharePoint, OneNote and Trello for communication both within and beyond our team, and we are always looking for new tools. The time we invest to maintain these resources is a wise investment. We avoid unnecessary questions, we agree on which version of various documents to use and team members are on the same page.

Publishing documents such as product roadmaps or release plans in known locations so that they are available for anyone at any time also minimizes questions that take time away from more meaningful activities.

Overcome distance and accents with instant messaging. An instant messaging system helps bridge the distance between team members far better than email, as it facilitates immediate communication. It's also helpful during phone calls when team members of different nationalities have issues understanding one another because of accents or other barriers.

Record presentations and demonstrations. Our product team members regularly demo new features or walk through concepts for our extended delivery team and stakeholders. But with a global team, this means scheduling multiple sessions or missing audience members for live sessions. By recording these demos and presentations and making them available on our SharePoint site, we can enable countless views from just one recording.

Use email as a last resort. Given the challenges of communicating and scheduling across the globe, email is often seen as the easiest method for resolving questions. However, this can lead to an unmanageable inbox volume. While some email traffic is unavoidable, our team carefully looks for questions or repeated topics that could be handled through the improved use of tools like FAQ documents. Reduced avoidable email is the return we see on the time we invest in updating these sites.

MAKE THE MOST OF LIMITED MEETING TIME

With many locations across time zones, it can be hard to find time to meet or talk. You have to maximize the time you have. Here's how:

Make standing meetings a priority. Even with careful use of communication tools and planning, teams that are geographically separated need regular time to catch up and discuss issues that may not be common knowledge across the group. Weekly team meetings help ensure we remain aligned.

Avoid the "golden hour overlap" when scheduling. There is high contention for those few time slots that are convenient for all. To minimize this, our team avoids scheduling recurring meetings such as daily standups or weekly team meetings during this time slot to leave them open for more pressing discussions.

Moving out of the mutually convenient times does mean that some team members are pulled out of a normal schedule. Our Denver team members routinely join calls well before sunrise, and our product manager in South Africa attends a weekly demo session after everyone else in the office has left for the day. To minimize this, we have had some success scheduling specific days of the week where all teams extend their overlapping time to make the inconvenience more predictable and limited.

Utilize video conferences. Video conferencing adds depth to virtual meetings and helps keep remote team members connected. Video aids in the mechanics of conference calls, too, reducing interruptions and simultaneous commenting. It also adds nuance that can be lost in a large conference call.

While our company does have large video-conferencing rooms with centralized scheduling, we have found equal or better results by using laptop or portable webcams and connecting them to our meeting software.

GO GLOBAL WITH EASE

Managing the complexities of a global team takes effort, but our experience has shown that with some practice and careful attention, you can create an effective team environment that spans well beyond the boundaries of a single office. **PM**

🔍 **About the Author**

Lee Fulford leads a product management team focused on global travel agency technology and automation and is always interested in finding better ways to get the right products into the hands of customers. Lee's background includes software development, professional services consulting and cat herding. He holds master's degrees in mass communications and computer information systems and can always be found loudly cheering for his beloved Georgia Bulldogs. Connect with him at linkedin.com/in/lfulford.

GLOBAL EXPANSION:

EMBRACE THE DIFFERENCES

BY STEVE GAYLOR

HAVE HAD THE GOOD FORTUNE TO TRAVEL ALL OVER the world for both business and pleasure. Whenever possible, I love to travel by train. Handing over the travel responsibilities to someone else so I can spread out and work or relax is wonderful. It gives me the opportunity to experience the places I am traveling through and the people who live and work there in a way that's impossible in an airplane at 30,000 feet.

When I think about the things I have observed while working in organizations that delivered global products, I think there are a lot of things that we can learn from train travel.

Plan your route before you lay track. Several organizations I worked for started as domestic companies before they expanded internationally. They were pulled into global markets by the needs of their large enterprise-customer base or the allure of "being global." But these expansions weren't always successful, even when augmented by international acquisitions. I also worked for at least one company that was designed and built from the ground up to be a global organization. Not surprisingly, its global expansion efforts were much more successful.

Planning for globalization from the ground up requires consideration of things like global currencies, multiple time zones and language support, as well as the different legal and taxation systems found around the world. You have to think about things like international trademarks and website URLs. At a minimum, these things affect product support infrastructure, marketing, sales channels and finance.

If you plan for these concerns as early as possible in the

company's formation, you will create a foundation you can build upon as you expand. It's much easier to think globally and deliver locally than to think locally and deliver globally.

Trains aren't always on time everywhere, and that's okay. Trains run on time—to the minute—in some countries. In other countries, not so much.

This is only one example of the differences that are present in different countries and cultures. Conducting business may occur at a different pace than you are accustomed to. Decisions may take longer than you expect, or response time for additional information may be much shorter than you anticipate. In addition, labor relations, holiday frequency and work hours may vary.

When I first became responsible for products offered in a global market, I solicited input from my sales channel and interacted with people in the local markets to understand their wants and needs. Next, I calculated market sizings, revenue projections and investment requirements. When I reviewed everything, I concluded that 80 percent of what we needed for any of the various international markets was exactly what we needed for our domestic market. Only 20 percent was unique in any given market.

Based on this understanding, I adjusted my market size and revenue estimates down by 20 percent, rationalizing that we should be able to close 80 percent of our opportunities with our existing capabilities. It took me a while to realize that the additional 20 percent was required to win any business in those markets.

The reality was that until we addressed the differences, we were not a viable player. This concept is simple and easy enough to understand. Still, I had to learn the hard way.

Providing international offerings is not just about the language extensions and features and functions that must be added to your product. You also have to understand the buying processes, personas and terminology used in each country and culture you wish to pursue. It's important to respect these differences and realize that inherently they are a good thing.

Trains will change tracks. I was once traveling through the heart of Germany and I only had the basic ability to read and speak German. I had to change trains at a large train station with lots of arrivals and departures, all running precisely on time. I departed my original train, found the connecting train track and waited for the next train to arrive. About five minutes before its scheduled arrival, an announcement was made over the public address system. I assumed it was some sort of change and didn't think much of it until my train failed to arrive on time and another one left on the track behind me exactly when mine was scheduled to depart. I eventually worked out that my train had changed tracks and I had missed it. It was time to replan.

Similarly, markets change all the time. If you aren't in the station, you won't hear the announcements. Even if you are, you probably need a local to translate for you.

We often recognize those changes in our home markets because we live and work in those markets and interact with them every day. We must also be engaged in our global markets if we are to be aware of, understand and adjust to changes.

Trains often change crews when they cross borders. I am often asked how to interact and gain insights in international markets, especially with differences in time zones, language, culture and distance. I generally answer that if you can't be there yourself, you must have some sort of proxy. It could be your sales channel or—even better—a local product team member. These people are responsible not only for representing you in those markets, but also for collecting information and identifying changes in their markets. You must trust those representatives and believe the information they provide so you can make the appropriate adjustments to your products to support those markets.

The differences may be subtle but they are important to identify and address. Although markets are always changing, they rarely change at the same time or in the same way. Ideally, you will have someone who can anticipate those changes and identify when those changes are occurring. You also have to trust the input you receive from your advisors and adjust products and approaches as necessary.

Trains are similar, but their differences are important to understand. Generally speaking, humans are all motivated by the same things in the same ways. At a basic level we need food, shelter and safety. Beyond that, most of us desire love, a sense of belonging and purpose in our lives.

What varies from country to country, and culture to culture, is the way we pursue these desires. If we want to be successful in a global environment, we must recognize that true success comes only when we understand our differences and work to embrace them—in our companies and our products.

The answer to global-market success isn't to just lower your expectations by 20 percent. It requires understanding that those markets may look and feel much like your own but will have some fundamental differences. Think globally during your planning phases and you will have a much better chance of accommodating those differences, even if you don't expand right away. **PM**

> You have to understand the buying processes, personas and terminology used in each country and culture you wish to pursue.

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 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.

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How to Scale Agile:

Simple Ideas for a Complex Problem

BY DAVE WEST

MOST ORGANIZATIONS WANT TO IMPROVE THEIR AGILITY to be more responsive to customer and market changes. They want to build on the success they have had with scrum at the team level and apply it across the whole organization. And while they might like to be more like Apple, Netflix or Airbnb, their challenge is that, unlike Silicon Valley startups and tech giants, they are not starting from a clean slate. Instead, they are trying to change from a traditional, process-centric, hierarchical organization into something else.

Their challenge is compounded because there isn't a repeatable process for this transformation; everyone starts in a different place and has different goals. The word "transformation" is itself part of the problem; it implies moving from one state to another. Perhaps a more realistic description is that the organization must evolve from one that values processes and standards to one that values learning and flexibility. Evolution takes time and is ongoing. While standards remain important, even more important is to achieve quality in the products and services delivered.

Agile Is a Culture, Not a Process

An insistence on standardizing the ways that output is produced may add to the confusion of viewing agile as a process rather than a culture. In the 1970s, American auto manufacturers adhered to highly standardized processes but produced low-quality automobiles. They tried to copy Toyota's production system to fix the problem but missed the essential role of continuous improvement. Toyota's production system was not a fixed process, but a culture of continuous improvement that managers instilled and reinforced in their employees.

When Kiichiro Toyoda, Toyota's second president, was asked about the risk of his loom design plans falling into competitors' hands, he replied, "The thieves may be able to follow the design
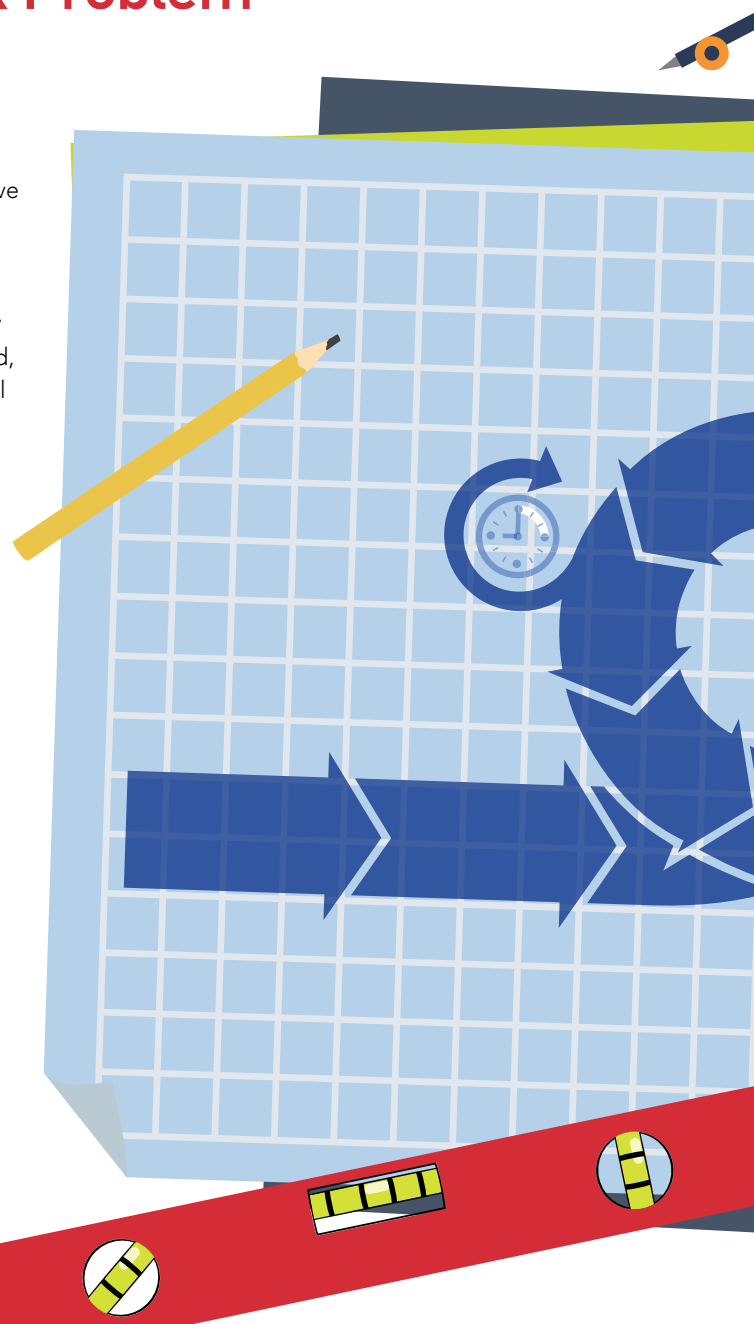
plans and produce a loom. But we are modifying and improving our looms every day … They do not have the expertise gained from the failures it took to produce the original… We need not be concerned. We need only continue, as always, making our improvements."

To make continuous improvements, teams must be empowered to deliver small increments of value—with direct access to customers—in rapid cycles so that they can continually learn and improve. Teams working together to deliver complex products find that cross-team dependencies slow them down, reducing their ability to make decisions and get rapid feedback from customers. A main problem that organizations face when they scale agile is reducing or eliminating cross-team dependencies.

There are no simple answers for enterprise transformation; every team and product must solve slightly different challenges. There are, however, some common practices and patterns that help organizations improve their agility. They are simple to understand, but like scrum, are often hard to adopt. However, understanding them can help identify solutions that fit your unique situation and goals.

To Scale Up, First Scale Down

Only the simplest, leanest way of working will scale. You can't scale complexity. Complex processes, organization structures and tool chains may seem necessary, but take another look: Is something absolutely essential? Does it require a degree of perfection that is impossible to attain? The idea of keeping things small or lean is reinforced by the ideas of Fred Brooks in his essay, *The Mythical Man-Month*. It is also demonstrated by the modern-day space company Space X, which employs fewer than 40 engineers to build all the software necessary to launch, manage and land the Falcon spaceships.

Keeping things small is not easy, particularly when you are dealing with complex systems that require specialists. Here are three things to consider:

1. Employ specialists to teach others. Instead of getting another group to do something for the team, get someone from the other group to teach team members, scaling scarce skills in the organization, uncovering gaps in understanding and improving the solution's clarity. Your ultimate goal should be to encourage people to develop a broad set of skills that complement their deep skills in several areas.

2. Automate repeatable and error-prone tasks. Repetitive tasks that don't require judgment to perform should be automated and made available on demand. The best candidates for automation emerge naturally from the teams trying to deliver rapidly; give them the time to automate. Resist the temptation to appoint a DevOps team; let the people who understand the problem solve that problem, or risk creating processes and automation that are overly broad and useless. Automate just enough and no more.

3. Recognize that not everything should be agile. Agility is the application of empiricism to solve complex problems in which more is unknown than known. There are many simple and complex problems in large organizations where more is known than is unknown. In those instances, agile might not be the right approach. It can feel pointless to use an empirical approach to answer simple questions that have relatively easy answers.

Scaling Agility Is All About Teams

Cross-functional, self-organizing teams are at the heart of any agile transformation. Once they know what outcomes the organization wants them to achieve, these teams should have the freedom to do what is necessary to deliver those outcomes. They should frequently inspect what they are producing to ensure that it achieves the desired business outcome and the desired level of quality.

Agile teams tend to be small; scrum teams consist of three to nine people each. When the desired outcomes require more than one team, teams may become cross-functional and self-organizing. To focus on teams at scale requires that organizations concentrate on the following four things:
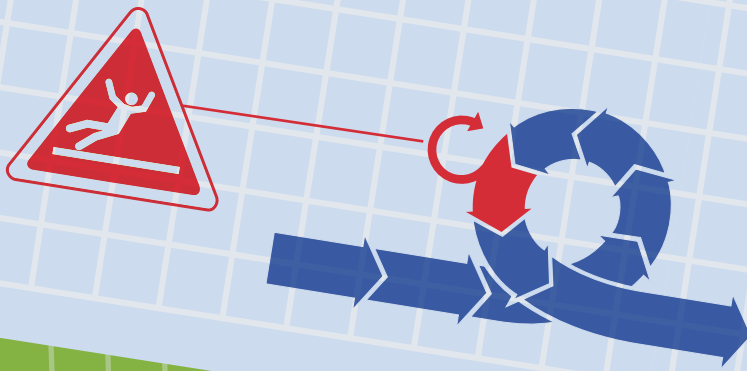
> **Failure to appreciate and empower the scrum master will undermine the scrum team's ability to be effective.**

1. Attract flexible people who continually learn. Agile requires team members who are willing to do whatever is needed to accomplish the team's goals. The ideal team member has enough breadth and depth to learn quickly and pick up new skills as needed.

2. Create cross-team specialists only when needed, and only for as long as needed. Generalists sometimes need to be supported by specialists, whose main role should be to teach people new skills and provide generalists with tools that help them do their jobs more effectively. Ideally, specialists should try to work themselves out of a job.

3. Build communities of practice for continual improvement. Communities of practice help organizations build skills and share experiences and expertise across teams. These communities help team members develop their skills and careers as they learn from peers and mentors. Communities need organizational support and nurturing, but they repay that investment by helping to normalize and scale skills across teams and organizational structures. Make time for community participation, measure community contribution and factor community leadership into career-advancement decisions to help the organization grow its technical capabilities.

4. Create a culture of servant leadership. Traditional, hierarchical organizations are characterized by top-down decision-making, while agile approaches encourage decisions that are informed by bottom-up intelligence. In other words, people closest to the problem are the ones best informed to make decisions about it. Leadership is critical to ensuring that teams have clear direction on the right problems to solve, the support to solve those problems, and an awareness of when they may need help and who can give it. This coaching style of leadership is often new to organizations and requires an investment of time and support.

Start From the Edges

Agility enables organizations to more readily respond to change while delivering increased value. Most organizations need agility in the parts of their business that are closest to customers. Keeping customers at the center of agile scaling efforts helps focus on improving the customer experience and competitive position. Later efforts can then shift to internal efficiency, including a focus on HR, legal and finance.

Find out who the customers are. Design thinking and lean startup practices provide techniques that help organizations effectively understand their customers. Agile approaches provide mechanisms to better understand customers, such as frequent feedback, provided that actual customers are engaged. Because many teams only work with internal stakeholders, they miss the opportunity to better understand a real customer's needs. Focusing teams on a set of customers and specific pain points makes it possible to scale customer knowledge and build a better understanding of their needs.

Empower product ownership. Without clear direction, an agile team will flounder, going from one "important" item to another. To effectively inspect and adapt, decisions must be made about the problem and solution. Product ownership provides a rudder to help stay the course.

Think in terms of outcomes and experiments, not features and functions. Although stakeholders hold important opinions, customers make the ultimate decisions. And while features are usually built with good intentions, if they are based on flawed assumptions, they will be ineffective. The fastest, most reliable path to success is to identify unmet customer outcomes, then form and quickly test hypotheses to improve those outcomes. Breaking down complex problems into a series of hypotheses and testing them will provide the team with the flexibility and focus to deliver value.

Enable Scrum Masters to Raise and Remove Impediments

Incorporating scrum and agile helps make problems transparent. Organizations accustomed to hearing that "everything is fine" (until it is not) find this disconcerting, but it's the means by which to identify and overcome obstacles.

Teams build resiliency by inspecting, adapting and overcoming challenges. But they can't always overcome challenges without help; teams need engaged leaders who will intercede on their behalf. Sometimes leaders need assistance to understand where their help is needed; that's when the scrum master, acting on behalf of the team, needs to escalate problems to management.

Make the scrum master a valued position. This position is often filled by someone who complains least about taking on the role. But a failure to appreciate and empower the scrum master will undermine the scrum team's ability to be effective. It is important to attract the right people and support them as they embody the scrum values of focus, commitment, respect, openness and courage.

Recognize that a scrum master is NOT a project manager. While project-management experience provides valuable insights, it may come with baggage. The biggest difference is that project managers, when necessary, are empowered to tell people what to do, while scrum masters are not. Instead, they teach people how to do something and hold them accountable to do things right. To lessen the temptation to slip into old habits, it helps if project managers transitioning into the scrum master role work with a different group of people.

> Project managers, when necessary, are empowered to tell people what to do, while scrum masters are not.

Support the scrum master with experienced coaches. When driving organizational change, it is important to provide support for scrum masters. Effective communities of practice, combined with external coaches, can help scrum masters focus on developing team members and encouraging their teams to deliver more value.

Focus Leaders on Removing Impediments

Scrum masters often lack the authority and influence to remove impediments that lie beyond their own teams. They need executive help. By creating an enterprise scrum team, having an enterprise change backlog, and empowering a product owner for the change initiative, executives will get a taste for the agile approach as they help teams resolve issues.

Introduce an enterprise change backlog. When scrum teams identify impediments with which they need help, putting them on an enterprise backlog ensures they will get senior leadership attention. Just as the product backlog helps scrum teams focus on delivering value, a fully transparent enterprise backlog for organizational change issues enables leaders to focus on the things that will deliver the most value. It also provides a clear message that the executives support agile.

Make the executive team an agile team focused on delivering value and transparency. Executive teams that use agile practices demonstrate not only their support, but their confidence in using it to manage their own work. Ensure that sprint reviews, including discussions about progress and demonstrated success, are open to everyone.

Measure and communicate success. It is important to provide a platform that demonstrates teams' success to the organization. Introducing an enterprise backlog and making the executive scrum sprints transparent help provide an organizational foundation to drive change. Scheduling regular events gives teams a chance to demonstrate how they are driving change and dealing with the issues they uncover.

Establish Measures to Drive Continuous Improvement

People-centric, lean, empirical processes enable teams to respond to the challenges of a changing world. However, teams also need a set of balanced, objective measures that tell them whether they are improving over time.

- **Current value** is what the organization derives from delivering value to customers. Examples include revenue, product cost ratio and net promoter score (NPS).

- **Time to market** is the time it takes for customers to start benefiting from a new idea or product improvement. Aspects of time to market include release frequency, the time it takes to stabilize a release and overall cycle time.

- **Ability to innovate** measures the ability to deliver solutions that meet customer needs. The usage index, defect vs. new feature ratio, and assessing overall quality help contribute to this insight.

Building an Agile Organization Takes Practice

Agility is an enabler that makes it possible to achieve your goals. It's also a complex skill—like learning to play an instrument—that requires practice and dedication and is learned over time. And while there is always room for improvement, all that practice has a goal: to delight the audience, or in the case of the modern organization, to delight the customer.

A great orchestra is more than simply a collection of great musicians. The ability to work together is what makes them do great things. And in the context of delivering amazing value to customers and stakeholders, it means aligning teams with customer outcomes and creating an environment that supports and fosters change. Agility scales team-by-team, product-by-product, and creates an organization that is always learning, changing and improving. **PM**

About the Author

Dave West is the product owner at Scrum.org. He is a frequent keynote speaker and a widely published author of articles, along with his acclaimed book *Head First Object-Oriented Analysis and Design*. He led the development of the Rational Unified Process (RUP) and then worked with Ivar Jacobson running the North American business for IJI. He also managed the software-delivery practice at Forrester Research, where he was vice president and research director. Prior to joining Scrum.org, he was chief product officer at Tasktop, where he was responsible for product management, engineering and architecture. Email Dave at Dave.west@scrum.org.

How SaaS Broke Your Buyer Journey Map and How to Fix It

BY DENNIS CHEPURNOV

MOST MARKETING AND SALES PROFESSIONALS ARE FAMILIAR with the concept of the buyer's journey map. It's a visual tool that helps align your organization's marketing and sales tactics to the needs of your target buyers as they go through the process of selecting and purchasing a service or product.

Most buyer journey maps include the following six stages: identify need, determine solution, explore options, select vendor, justify internally and make purchase.

This model has worked adequately for many decades, but lately I find it lacking. This buying model has failed to keep up with changes in the market; specifically, the advent of software as a service (SaaS). Intended to transform how organizations deploy and pay for software, SaaS also has profoundly affected how customers go through the buying process.

SaaS Rocks

Buying enterprise software used to be an onerous undertaking that involved six to 10 months of requirements gathering, business case development, discovery, vendor evaluations and demos. It also entailed negotiations with IT and procurement and budgeting for the capital expenditures needed to acquire hundreds of thousands of dollars' worth of required hardware and licenses. Several more months of deployment, customization, testing and training followed. During much of this process, customers had to commit key stakeholders to the buying process and deal with the resulting business disruption. Vendors also had to contribute considerable time and efforts from their account teams, professional services and training staff.

This still happens with large enterprise software deployments, but much of today's business software buying has transitioned to SaaS and other subscription licensing models. This shift impacts both customers and vendors.

- SaaS pricing and delivery make it easier for customers to invest in and—unfortunately for software vendors—divest from new software solutions.

- The SaaS deployment model reduces the post-sale touch points with the vendor, for better or for worse.

- SaaS has altered customer behaviors and expectations, even with non-SaaS products.

Although SaaS often costs more in the long run, buyers like it because it simplifies their lives. Vendors like SaaS because revenue is more predictable and often requires less involvement of professional services, which can be hard to estimate and staff.

The Vendor Trade-Off

It sounds great to have this perpetual subscription revenue, but there is a flip side: The buying process is never really over. With every subscription payment, customers have an opportunity to reflect on the value the software provides, then compare it to the cost they are paying.

The perpetual pricing model places the burden of ROI on the customer after the purchase; SaaS pricing effectively shifts it to the vendor.

This is a fundamental shift in the dynamics of value generation. With perpetual licensing, buyers staked their professional reputations—and sometimes their jobs—on significant investments of time and budget to acquire a technology solution. After the purchase, customers were responsible for ensuring the investment paid off.

With SaaS, a customer's up-front investment is considerably lighter. Given the lower up-front investment of time and budget, the incentive to stick with a product is also lower. If a customer fails to see rapid value from your product, they are likely to move on to one of your competitors.

It's often easier for customers to try a new product than to work with an existing vendor to ensure that the product works the way they need it to. I have witnessed many organizations sign on with a SaaS vendor only to drop them several months later and try another.

From the customer's perspective, signing a SaaS contract doesn't necessarily mean the end of the buying process. In fact (and this is where the floor drops away), while your sales team is ringing the gong and marketing celebrates another pipeline goal attainment, your customer may still be in an extended stage 3: exploring their options.

What This Means

Most marketing teams disengage from the customer's journey at the point of purchase, just as the customer embarks on the most important stage of the whole experience: building business value from the product we sold them.

Buyers are our champions inside their organization. As a marketer, it feels somewhat disingenuous to abandon them just as they sign the contract. True, they may now be in the hands of other departments like account management, professional services and training, but those teams engage in tactical endeavors, and they often interact with different customer stakeholders. But what about the decision makers we've catered to throughout the buying process? What happened to the strategic visions we painted for them? The industry insights we shared? Why should the story end here?

The customer's journey does not end with the purchase, and we have SaaS to thank for making this painfully obvious. Marketers must extend the journey map beyond the purchase, continuing to support buyers as they derive business value from your product.

To that end, updated buyer journey maps should include a seventh stage: derive value.

Any organization that wants customers to succeed (and remain customers) needs to reassess the effort and focus they dedicate to this seventh stage. While many technology vendors promise to be their customers' partner for success, few have actual programs to back it up, and fewer still engage product marketing—the authority on buyers and technology solutions—to help drive this effort.

Here are four thoughts to consider:

1. Customer retention is not the refunds department. Sales and marketing professionals are acutely aware that it costs more to acquire a new customer than to keep an existing one, yet many organizations still view retention as a reactive measure used to salvage unhappy customers. Instead, customer retention should be a strategic marketing function to match demand-gen. Customer retention should work closely with product marketing, campaigns, sales and services groups to develop programs and touch points that actively help customers reach their business objectives and move forward.

2. Don't stop being strategic after your prospect becomes a customer. Many organizations shift to end-user marketing after the purchase ("here is our feature-of-the-week email campaign"). Facilitating end-user adoption is important, but not at the cost of ignoring decision-makers. After the go-live, your target buyers are still there, evaluating your product for success.

Are you confident they will still believe they picked the right vendor when they pay your next invoice? It's important to stay engaged in their efforts and continue to add value and inspire them. For example, developing and sharing a maturity model can help position your products alongside their long-term strategic business objectives and establish a framework for partnership going forward.

3. Think of it as a buying cycle within the buying cycle. Many organizations "buy to try" SaaS solutions and look for rapid proof of value as an indicator of success. Think of it as an early proof of concept at stage 3. If your organization can proactively take on some of that burden of proof, you stand a better chance of turning stage 3 into stage 7.

4. Celebrate the contract. It's a big deal to sign a paying customer, and a lot of people work hard to make it happen. But for customers, the purchase is just the beginning, and your team should view it as a milestone for your marketing strategy, not the end goal.

We live in an era of seemingly endless options. Consider how many times you have downloaded a new app on your phone, tried it for a few minutes and then promptly uninstalled it when you realized it did not meet your needs. Today's B2B buyers have a similar mindset. If you fail to help buyers actualize the value of your product after purchase, it won't take them long to start looking at the next vendor. **PM**

> It's often easier for customers to try a new product than to work with an existing vendor to ensure that the product works the way they need it to.

About the Author

Dennis Chepurnov, PMC-III, MBA, is an enterprise technology evangelist with more than 15 years of experience in helping organizations improve business processes through better information management. In his current role as the senior manager of product marketing at Hyland Software, Dennis helps connect technology solutions with the needs of customers across a broad range of industries. Connect with him at linkedin.com/in/dchepurnov.

THE
ROAD NOT TAKEN:

Choose the Right Agile Marketing Approach

BY ANDREA FRYREAR

ROBERT FROST'S FAMOUS POEM "THE ROAD NOT TAKEN" is a brilliant cautionary tale about decision-making. The traveler must choose one of two paths that "diverged in a yellow wood," looking down each as far as possible before finally choosing "the one less traveled by." The speaker believes this choice makes a major difference in how his future unfolds, since it's unlikely that he'll ever have the opportunity to take the other route.

Marketers who hope to change their broken processes face a similar choice.

Agile marketing is inching toward the mainstream, enticing more and more teams to take their first tentative steps on this exciting path. And very early in their journey,

marketers encounter a fork in the road. Will they take an iterative approach to agile, as embodied by the scrum methodology, or will they choose a flow-based approach, commonly known as kanban?

It's not an inconsequential decision, but fortunately we have more data to act on than Frost's uncertain narrator. Like the paths in the poem, both options are viable. There is no universal right choice when it comes to picking an agile approach. But making an ill-informed decision can still make all the difference, leading to frustration, lost opportunities and possibly even abandonment of agile marketing.

Let's explore both of these common options, so you can pick the right path the first time and look back on the start of your agile journey with pride, not regret.

An Overview of the Scrum Path

Since the early days of the agile software movement, scrum has enjoyed a high degree of popularity. Recent surveys show that about 58 percent of agile software and IT teams use it, making it by far the most common agile approach.

The appeal is easy to understand. Scrum centers on short iterations, or sprints, during which an agile team commits to finishing a set amount of work from their backlog. Once they make that commitment, they're supposed to be allowed to focus on those tasks to the exclusion of all other work.

During the sprint, the team meets every day in a 15-minute daily standup to talk about their progress and discuss removing any roadblocks in their way. By the time the sprint is over, the team should have something suitable for release to their audience or customers.

They demonstrate their completed work to others outside the group during a sprint review meeting and then get together as a team one final time during a retrospective meeting to talk about their process and how it might be improved. Then the process starts over with a new sprint.

Scrum methodology assumes a particular kind of team exists. The five to nine team members should be cross-functional, meaning most of them could pick up any task from the backlog and start working on it. The team should also be fairly autonomous and self-organizing.

To help ensure the scrum team is doing the right work during each sprint, a new role known as the product owner is created. This person is the liaison between the team and the business, relaying priorities and strategies from above while protecting the team from unneeded distractions. A second role unique to scrum is the scrum master, who helps the team follow scrum's recommendations and improve their process steadily over time.

As you can see, scrum is very prescriptive. For most teams, it represents a change to nearly everything about how they function. Sometimes that's good, other times it's not.

Scrum for Marketing

Teams who use scrum routinely report massive improvements in productivity and satisfaction, because they're regularly finishing projects and getting them out the door instead of getting bogged down by interruptions. Marketing teams are particularly prone to emergency requests and unplanned work, so sprints can help us break out of that cycle.

However, the strict timeboxes can also create friction for marketers. We often have daily recurring tasks that aren't necessarily part of a bigger plan but must nonetheless get done. Social media, for example, requires constant attention. How do we fit these things into a sprint?

Then there's the problem of roles. Marketers are, for the most part, not building a product. This makes the product owner role seem out of place. We can give it a different name—marketing owner is what I typically suggest—but it can still be a bit out of sync with how marketers are accustomed to working.

The product owner usually acts as a buffer for the agile team, taking in requests, politely turning them down if they don't align with the team's goals, protecting the team from interruptions, a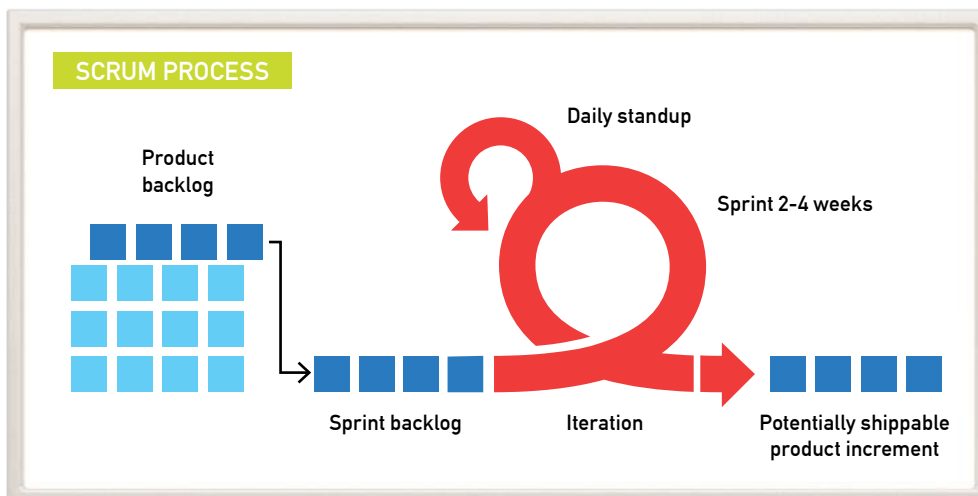nd so on. But marketing leaders aren't used to acting like this. They're far more comfortable saying "yes" to everything and then figuring out how to get it all done. This role is usually the most difficult one for agile marketing teams to take on.

> Marketing leaders say "yes" to everything and then figure out how to get it all done.

Who Should Use Scrum

If you take even a perfunctory glance at scrum, you can see that it won't be right for each and every team or organization. But here's who typically benefits from choosing this agile path:

Relatively small teams. Scrum works best on a smaller scale. If you have a team of five to nine people, or could create several teams of that size that are all cross-functional, then scrum could work well for you. Don't, however, try using scrum within your existing silos. Having a content scrum team and a design scrum team and a social-media scrum team that all try to pass work back and forth will not get you the benefits you're after and may even create more problems.

SCRUM PROCESS

Product backlog

Daily standup

Sprint 2-4 weeks

Sprint backlog

Iteration

Potentially shippable product increment

team to follow its practices precisely, kanban is designed to be applied to your current way of working.

In other words, you don't have to change anything about the way you do things now to adopt kanban. Sounds nice, right? The tradeoff is that kanban's lack of structure requires agile marketing teams to do more critical thinking about their process (and its shortcomings). Here's how it works.

First, sit down and sketch out your workflow, meaning what happens to a piece of work from the time it's requested to the time you deliver it. This is honesty time. Your workflow should reflect what really happens, not the pretty imaginary picture of what you wish would happen. Then you turn that sketch into a real kanban board, which you've probably encountered thanks to the wild popularity of tools like Trello.

This board will be the lifeblood of your kanban team, so take a couple of hours to make sure it's as accurate as possible.

Once you have a board, you need to fill it with work. Since kanban works within your current system, you can go ahead and put whatever you're working on now in the appropriate column. So if you have a blog post planned but not started, it belongs in the defined column. A new email campaign that the team is actively creating would be in progress.

This is the simplest version of kanban, and just visualizing your work like this often reveals startling new information about where things are getting stuck and why that's happening. But we can get even more benefit by adding in two more components of kanban: work item types and work in progress (WIP) limits.

Work item types are essentially categories of work. You can think of them like buckets that help you quickly sort projects and guide the team on how to handle things. Some common work item types are based on the level of urgency associated with a project, for instance:

- **Expedite:** An urgent request that requires immediate attention

- **Fixed delivery date:** Deadline-driven work, such as a webinar or in-person event that can't be delayed

- **Standard:** Regular work that needs to get done but doesn't have a specific due date

- **Intangible:** Nice-to-have work that will benefit the team or organization

After we know what kind of work we're dealing with, we need to put some boundaries around how much work the team can handle. This is where WIP limits come in. WIP limits are applied to each column of the workflow, and they force the team to complete what they're currently working on before they

> In the simplest version of kanban, just visualizing your work often reveals information about where things are getting stuck.

Cross-functional marketers. You'll have the most success if you already have people who can do different kinds of work with confidence. Just as handoffs among different teams can create issues, the need to pass work through several different people on the team is likely to introduce stress into your sprints rather than increase productivity.

Teams who need protection. If your teams are constantly derailed by last-minute demands or other interruptions from outside of marketing, the protection of a sprint may help them. Being able to put a new request into the backlog for an upcoming iteration is a nice way of saying "no" while still providing good customer service to the person making the request. Of course, this does require a strong marketing owner who's committed to being a buffer for the team.

Teams who can embrace change. Applying scrum isn't an overnight project. It requires serious changes to how the team plans, how they interact with one another and how they think about their work. If your team is ready for something new, they may wholeheartedly embrace scrum. If they're already overworked and overwhelmed, they may balk at such a big change.

Kanban: The Road Less Traveled

On the continuum of agile approaches, scrum and kanban are at opposite ends of the spectrum. Scrum is highly prescriptive, while kanban is supremely adaptive. Whereas scrum asks a

can start something new.

In this example, we have a WIP limit of five on our *in progress* column and it's currently at that limit. That means we can't start on a sixth project until we finish one and move it into the *done* column.

As you can see, all of these components can be applied to your existing workload without making any changes to how your team gets things done. Then, as you use kanban you can find opportunities for enhancement, unlocking a cycle of continuous improvement that delivers better results and more satisfied team members. Kanban teams manage this process through regular retrospective meetings, just like scrum teams do, and they also have daily standup meetings.

Who Should Use Kanban

Since it's designed to improve your workflow rather than change it up front, kanban can work for just about any kind of team. Even teams of one can use its principles to improve their effectiveness.

But there are situations in marketing where kanban is particularly useful.

Teams outside the scrum size range. If your team is particularly small (four or fewer) or particularly large (10 or more), kanban is probably a better fit than scrum. You can certainly make scrum work at those sizes, but the adjustments needed might not be worth the time and effort.

Specialized teams. Scrum teams work best if they're cross-functional, but kanban doesn't have that requirement. If your team members have specialized skills, or if you rely on third parties (agencies, freelancers or other departments) to complete your work, scrum sprints may just stress you out. Kanban doesn't stipulate cross-functionality, but it can reveal gaps in the team's skills that you'd like to fill.

Teams inside a skeptical organization. Some organizations love agile, and they're delighted when marketers want to give it a try. Others need proof before they commit, and for those situations kanban is a good option. Since it doesn't require a lot of up-front change, kanban lets you get up and running quickly so you can deliver results and prove agile works without doing a big scrum launch.

Burned-out teams. It's far less cumbersome to start using kanban than scrum, so if your team is in desperate need of process improvement but can't bear the idea of making major changes, kanban is probably a better fit.

Choose Your Path Wisely

As you can imagine, this isn't everything you need to know about either of these methodologies. Take these suggestions as a starting point, and try to look down each path as far as you can see. Keep reading, keep asking questions, and most importantly keep your team involved in the process.
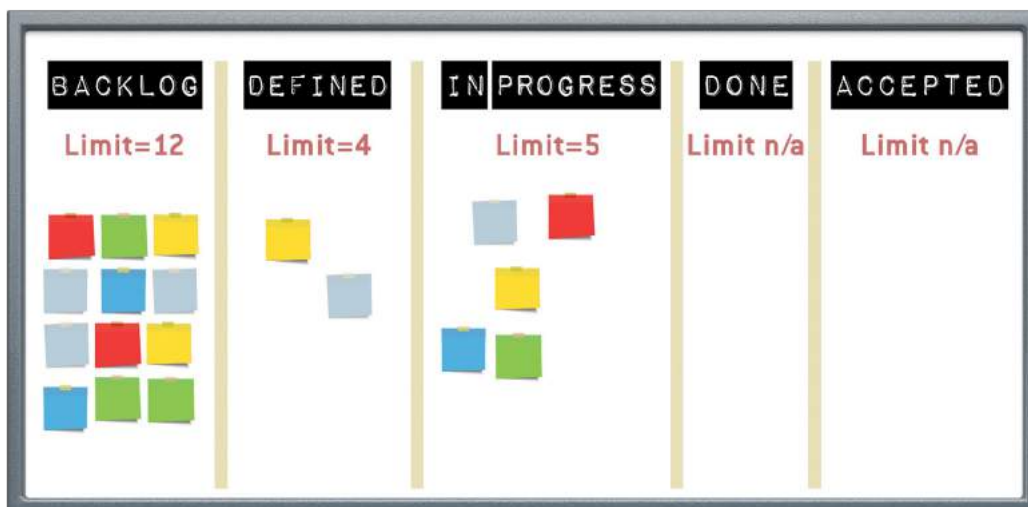
It's an exciting time to be a marketer. We're forging new ground, and whether you choose kanban or scrum, you're going to be exploring some new territory. Like Frost's traveler, given "how way leads on to way," we won't be at this crossroads again. Choose wisely, and an amazing agile future awaits. **PM**

About the Author

Andrea Fryrear is president and lead trainer for the agile marketing consultancy AgileSherpas, where she loves helping teams evolve from chaos to high performance. In addition to being trained as a scrum master and product owner, Andrea is a certified professional in agile coaching and a certified agile leader. She shares her findings (and failures) regularly from stages around the world as an international speaker on all things agile marketing. Her most recent book, *Death of a Marketer*, chronicles marketing's troubled past and charts a course to a more agile future for the profession. She'll talk agile anytime via Andrea@AgileSherpas.com.

KANBAN

BACKLOG	DEFINED	IN PROGRESS	DONE	ACCEPTED
Limit=12	Limit=4	Limit=5	Limit n/a	Limit n/a

- 🟥 Expedite
- 🟩 Fixed Delivery Date
- 🟦 Standard
- 🟨 Intangible
- 🟦 Other

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Has Your Organization Overlooked a Critical Role?

BY NEIL BARON,
MICHAEL MALTBY AND
DIANE MCLOUGHLIN

PRAGMATIC MARKETING TEACHES THAT PRODUCT SUCCESS STARTS in the upper-left portion of the Pragmatic Marketing Framework. In other words, the key to success is to first identify market problems that need to be solved. It may sound simple, but there are often gaps between product management, product marketing and marketing, which makes this easier said than done.

In many companies, product management develops requirements for engineering while product marketing and marketing support sales. Often, no one is focused on how the whole organization will align to deliver the solutions to prioritized market problems. This may lead to developing a solution for just one specific client—or even worse, bouncing from one idea to another and not getting anything completed

Here is how one company addressed this challenge.

Eagle Investment Systems LLC, a BNY Mellon company, provides investment accounting, performance measurement and data management solutions to large investment management companies. Eagle was doing well, with steady growth and client retention greater than 95 percent. However, Eagle recognized that its market was changing. Customers were expecting not only advanced technology and services, but also solutions that delivered clear business outcomes. Eagle wanted to remain at the forefront of addressing its customers' needs

while continuing to grow and evolve in an increasingly complex world of investment management.

Moving from selling features to delivering outcomes was not just a sales, marketing and product development challenge, it required Eagle to rethink its culture and processes. Recognizing a need to focus on selling outcomes and capturing greater market share around a solution, Eagle's management created a new role: head of market strategy.

At Eagle, the primary responsibilities of the head of market strategy are to:

- Understand the market and look for new opportunities

- Identify market problems to solve rather than new feature requirements

- Build internal consensus on which problems Eagle should solve and the value to the customer of solving these market problems

- Lead the effort to develop the go-to-market strategy for a specific market problem

- Oversee the execution of the go-to-market strategy

This new position was filled by elevating one of Eagle's product managers. Since the position was critical to Eagle's future, management decided that it would report directly to the chief client officer. By removing most of the tactical tasks typically performed by product management or product marketing, Eagle enabled this role to focus on strategy.

Other organizations that are interested in the role may want to take a page from the decisions that Eagle made, starting with selecting someone who has the confidence to "shake things up." Even though Eagle's new head of market strategy had been with Eagle for 11 years, he was willing to challenge Eagle's status quo. Equally important, he was willing to learn and grow in a role that required acquiring new skills, such as learning to objectively talk with customers to understand their business needs.

It is critically important for the person in this role to have the ability to build

consensus across the organization. They must be politically savvy and be able to work without formal authority. It's also important that the organization has realistic expectations for the role. Given the length of most B2B sales cycles, it may take months before there is an impact on revenues. However, management must view this as an investment that will pay off over time.

Senior management everywhere will appreciate the many subjective benefits and objective measurements tied to this formalized role. Within the first year, Eagle increased its strategic, multi-year sales pipeline by fivefold, moved a majority of its pipeline from opportunistic to strategic, and focused its solution delivery on solving urgent business needs.

Winning organizations understand that customers buy solutions to achieve business outcomes and will align their organizations to deliver these outcomes. This requires a strong quarterback to make it happen.

Due to the daily demands of their role, product managers and product marketers often lack the bandwidth (and the inclination) to take on this responsibility. With greater regularity, companies will be investing in the role of head of market strategy to focus investment and drive results. **PM**

Winning organizations understand that customers buy solutions to achieve business outcomes.
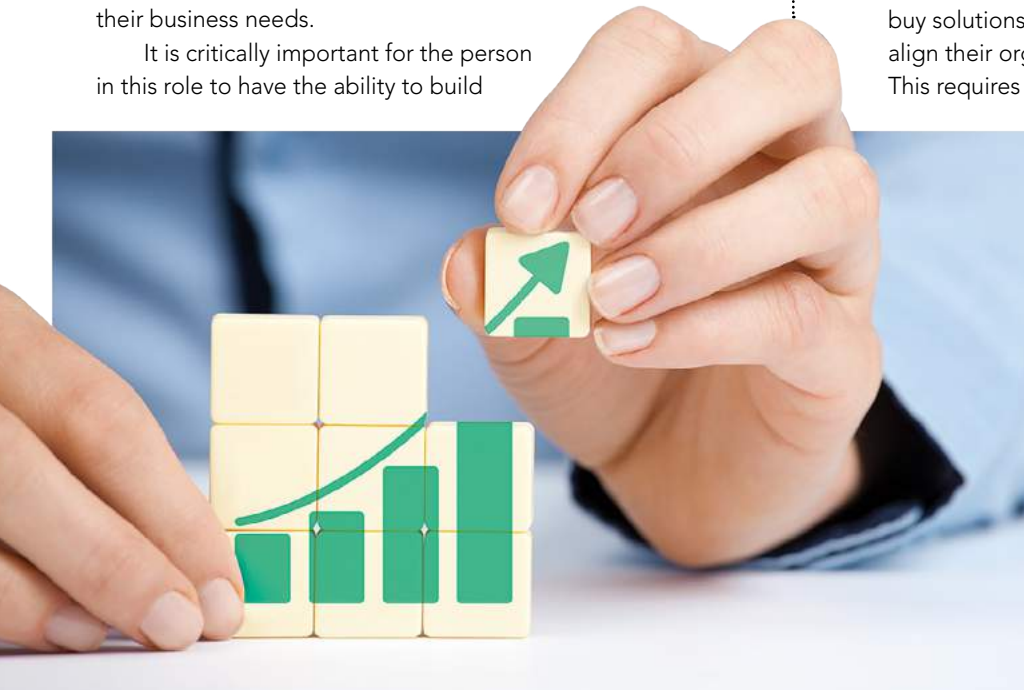
About the Authors

Neil Baron is an internationally recognized authority on selling and marketing innovative products, services and solutions sold to risk-averse customers. He has served in a variety of senior marketing and management roles at companies such as IBM, Digital Equipment Corporation, Sybase, Art Technology Group, Brooks Automation and ATMI. He is passionate about involving customers throughout the go-to-market process. In 2009, he started Baron Strategic Partners, a consulting firm focused on helping organizations launch groundbreaking products and services and reenergize older ones. Contact Neil at nbaron@baronstrategic.com or through baronstrategic.com.

Michael Maltby is head of market strategy of Eagle Investment Systems, where he identifies and maintains a deep understanding of market problems, prioritizes Eagle's pursuit of solutions and oversees the execution of go-to-market strategies. Michael's experience as an end-user, consultant and product manager positions him to lead the strategy for Eagle. He joined Eagle in 2005 as a member of the professional services team, implementing Eagle's suite of products and providing consulting services to clients. In 2013, Michael moved to the product management team leading global product strategy for the fund accounting solution before becoming head of market strategy.

Diane McLoughlin is head of Americas and chief client officer of Eagle Investment Systems, where she oversees sales, marketing, relationship management, professional services and market strategy. With more than 28 years of experience in software implementations, business consulting and client services, she is uniquely qualified to address complex problems and lead her team in delivering client-centric solutions. Prior to joining Eagle, Diane was a manager in the financial services practice at Deloitte Consulting and held several positions at Fidelity Investments and Digital Equipment Corporation.

Global
CONTENT MARKETING

BY PAM DIDNER

## FOR THE LOVE OF OUR DEVICES, WE CHASE CONTENT

I am part of the 75 percent, the 44 percent and the 110 club! About 75 percent of Americans bring phones to the bathroom. Approximately 44 percent of cell phone users sleep with their cell phone by their side. And according to figures collected by a screen lock app, the average user actually checks his phone around 110 times a day.

I've concluded that our phone is the adult version of a security blanket or our favorite stuffed animal. Marvelously, this little device does much more than act as a security blanket or substitute for a stuffed animal. It lets us consume content anytime and anywhere. Studies have shown that the typical social-media user consumes 285 pieces of content daily, which equates to an eye-opening 54,000 words and, for the truly active, as many as 1,000 clickable links.

When I travel to countries in Asia and Europe, I observe the same phenomena in both developed and emerging countries. Users around the world consume an enormous amount of content through their mobile devices. They may consume different content in their own or other languages, but their content-consumption behaviors are very similar to ours. The content is readily available at almost no cost, aside from the cost of a data plan from a service provider. In the name of our holy phones or tablets, we all chase content! Your content, if done right, addresses your customers' needs and will be chased by your users.

Although traditional media still has its place, we no longer only receive information from print, radio, TV and other traditional media outlets. More and more, people have multiple screens open when they watch TV, listen to music or

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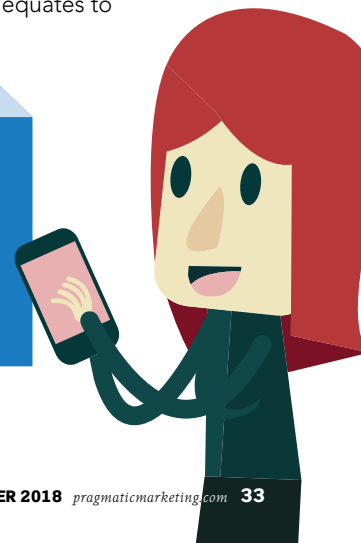
even while they work. In my household, a family of four watches TV with our tablets and phones nearby. Watching TV is no longer a passive form of *receiving* information; we can also chime in and provide real-time feedback on the programs we watch through social-media platforms, consuming, researching and discussing relevant content at the same time. We multitask to the nth degree!

Our behavior has an enormous impact on content planning. We should no longer consider creating content for one screen size because our customers likely have a TV screen, phone screen, computer screen (laptop), and tablet screen open simultaneously. How can we deliver content that is seamless from one screen to another to ensure one experience, yet tailor different formats of content for different screen sizes? To make it more complicated, how can we scale that content with different screen sizes to different regions? Marketers' jobs seem to get tougher and tougher. Again, the ability to connect different dots in increasingly complicated, and integrated marketing channels has become more urgent than ever.

CHALLENGES AND CONSIDERATIONS FOR GLOBALIZING CONTENT

The level of content localization and customization required for your products and services will be determined by the places and the people that you are planning to reach. Anol Bhattacharya, CEO of GetIT, wrote a blog post on B2B marketing in Asia, *Content Marketing Localization—Lost in Translation*. "Language and culture are tricky things," Bhattacharya wrote. "To make sure your message is found on the other side, you need to do a lot more than just flipping words."

He mentioned that there is no "United States of Asia: Asian countries have unique cultures and markets. And they are not homogeneous, like the United States, which, although a multiracial nation, largely conforms to American cultural standards." Before you begin localizing content for a country or

region, pin down what works there. It's important to recognize the internal and external challenges of scaling content globally.

Marketers' External Challenges

Cultural differences. People are identified with their heritage and traditions. In the United States, the ideal way to communicate is to speak directly and clearly about issues with the person involved. In Japan, the preferred way of communicating issues is to speak indirectly and artfully. A go-between person is often appointed for important matters.

Another important factor to consider is how gender may affect the delivery of a message. Since there are biases in every culture, that should be taken into account.

Language barriers. Words evoke emotion. Although English is perhaps the most dominant language in the world of business, people are, in general, more apt to build emotional connections with their native language. It makes sense to add a voice-over or captions to select videos for your targeted markets to make it easier for customers in other countries. It's also important to note that British English is not the same as U.S. English, Indian English or Australian English.

Certain idioms that play well in one country may have very different connotations in another, even if they speak the "same" language. As Winston Churchill noted, "America and England are two nations divided by a common language."

Religious beliefs. A religion's creed may dictate what and when content can be consumed. Religious beliefs are not only reflected in daily rituals, but also in festivities and seasonal celebrations. For example, Muslim New Year starts with the first day of Muharram, while Chinese New Year starts on the second (occasionally the third) dark moon after the winter solstice. Jewish New Year is in Tishri, the seventh month of the lunar calendar, while the secular New Year in the Gregorian calendar starts in January.

It's important to take into account different New Year

celebrations, and it's equally important to remember how different cultures celebrate the holiday: Some engage in family gatherings, others in self-reflection or countdown to midnight. Focusing on commonalities while planning your content marketing will minimize the need for customization.

Laws and regulations. Laws and regulations impact the legal disclaimers needed for the content you create. For example, the minimum legal drinking age varies dramatically around the world. To my surprise, the drinking age and purchase age are completely different in some countries. Even trickier is the age at which you can buy beer and wine versus spirits. At age 16, teenagers can buy beer and wine in Belgium and Germany, but they have to wait until the age of 18 to buy spirits. Check out the legal drinking age list on Wikipedia. It's a fun read. But also bear in mind that some countries don't even allow alcohol at all.

Product usage and behaviors. While it's common for people in Western countries to use plastic plates for quick and easy disposal, people in India and some other Asian countries commonly use banana leaves as disposable plates. Once the meals are consumed, they throw away the leaves, which decompose easily. When you demonstrate your products or services in the form of a video or other formats, you need to understand how your products will be used in the local markets. B2B applications may not change much from country to country, while consumer-oriented goods may vary greatly, from the package design, local ingredients and frequency of usage to the positioning of products.

Marketing promotional channel fragmentation. Promotional channels vary from country to country, or even from city to city within the same country. It depends on how the products and services are distributed and where the customers consume content. In some rural areas of India, China and other emerging countries, mobile phone texting promotions, door-to-door selling and leaving pamphlets behind are still proper and fitting approaches. Yet, customers living in larger cities within India, China and other similar countries consume content much like customers living in metropolitan cities in the West.

The rise of social media, as well as the various ways to search and shop online, has led to hyper-fragmentation of promotional channels. It adds a layer of challenge for marketers

to identify effective communication methods in myriad fragmented marketing channels.

Marketers' Internal Considerations

Marketing objectives. Content marketing, like any other marketing function, must support both the company's business objectives and marketing objectives. Some companies may have several business objectives and a wide array of marketing objectives; you may need to prioritize your initiatives to align with limited resources and budget. Be sure to get buy-in from relevant stakeholders.

Products and services. Content marketing needs to provide value to customers. Of course, it's not only about selling or promoting your products and services. Some content may be educational or entertaining in nature. Hubspot is a great example. The Hubspot blog does not talk about its product offerings directly, yet the blog provides useful and educational information for marketers about inbound marketing. The company touches on topics from search engine optimization (SEO), social media and content marketing to branding and design. It aims to provide value to prospects and progressively nurture them through useful content.

This is a great example of finding a balance between creating content designed to sell and creating content designed to add value for your customers, even though it may not directly drive sales. Be able to explain to management the intent and purpose for creating content that does not directly drive sales.

Organizational structure and budget allocation. It's great when there are funds budgeted specifically for content planning and production; however, most companies do not have a specific budget line item for content. The budget for content creation may be overlooked or assumed to reside in other line items such as web marketing, events, lead generation, advertising and so on.

From time to time, a content marketer with a limited budget may find that asking for funding from business units or other marketing departments is necessary to create additional content. For small and medium businesses (SMB), you can look for additional funding by tapping into external sources such as your customers and partners for cobranding or cocreating content. Or

Focusing on commonalities while planning your content marketing will minimize the need for customization.

it may make sense to combine budget from various departments to try different formats of content with higher production costs. It's important to know which departments "own" budget and how different departments work together.

Headquarters and regional collaboration. To scale content across regions, you need to set up a communication and collaboration process between headquarters and regions. Defining clear roles and responsibilities will ensure tighter integration. In some cases you may be responsible for both headquarters and regional marketing. If that's the case, you need to make an intentional effort to understand the ins and outs of local markets and take into account localization and customization needs. Not every piece of content will work in all regions.

Processes and tools. Global content marketing works well when there are tools and processes in place to drive cross-border content efforts such as editorial planning, content sharing, translation, syndication, measurement and more. In my experience, processes and tools tend to be overlooked by many marketing managers.

Let's take measuring the capability of content to generate leads, as an example: In order to measure the effectiveness of content marketing across regions, it's best to have the same measuring tools in place at the country level. In reality, not all the processes and tools can be deployed to all countries due to lack of language support, lack of on-site customer support, system incompatibility and so on. You may need to implement alternate

tools or even collect the data manually. Tools and processes are tricky issues that need to be collectively discussed and communicated between headquarters and regions.

Customers' Dilemma

While marketers face internal and external challenges, they also need to take into account their customers' needs and changing behaviors.

Information overload. An average of 100 hours of video is uploaded to YouTube every minute. More than 190 million tweets are posted per day on Twitter and 70 billion pieces of content are shared every month on Facebook. A Facebook user spends an average of 15 hours and 33 minutes per month on the site, and this is in addition to other time the user may spend on other web sites and social-media networks. The amount of data people encounter on a daily basis is so overwhelming that, consciously or not, users put filters in place. Filtering creates challenges for marketers trying to get their content in front of their intended audience.

The majority of us have developed a habit of skimming content without really internalizing it.

Short attention span. In Nicholas Carr's post "Is Google Making Us Stupid," he lamented that the internet chips away at his capacity for concentration and contemplation. "My mind now expects to take in information the way the net distributes it: in a swiftly moving stream of particles." In addition, the stress of modern life has reduced our attention span on a given task from 12 minutes in 1998 to five minutes and seven seconds in 2008. Our attention span is certainly getting shorter and shorter, which has implications for the length of content we should produce. Ekaterina Walter, co-author of *The Power of Visual Storytelling*, advocates "show, don't tell." Customers have so many choices that they will exit or move on to the next piece of content if you don't catch their attention in the first five seconds.

Decision-making process. Because information is produced faster than we can absorb it, the majority of us have developed a habit of skimming content without really internalizing it. Information overload, short attention spans and habits of scanning content on the net can paralyze our decision-making process. Sometimes I wonder how consumers make decisions at all. Given the abundance of information that is available to us at almost no cost, we should be able to make better decisions. But you could argue we make worse decisions, given the difficulty of effectively filtering out irrelevant data. This impacts how content should be presented to our customers.

Limited budget. Budget spending is about choice. Each day people are making decisions on how to spend their company's budget or their own money. Content marketing is about educating and influencing people before decisions are made. A customer's budget can also be impacted by tax refunds, employee bonuses, holiday seasons and more. For content marketers, it's also important to tie specific offers or targeted content to government initiatives such as tax credits, refunds or a major employer's bonus payout.

Content Marketing Needs to Help Your Customers Find "It"

Traveling around the oceans of the World Wide Web, people are searching for something. We are searching for what we need to know or do at the exact time we need to know or do it. The essence of content marketing is to help your customers find the information they need, in relationship to the products and services you offer.

> The essence of content marketing is to help your customers find the information they need, in relationship to the products and services you offer.

The need to be where your customers are searching has driven the boom of retargeting and contextual advertising. That form of advertising is one option to reach out to your customers. However, creating content to help, educate, support, assist or entertain your customers is more cost-effective than an ad buy. Ad retargeting and contextual buying only lives for a limited period of time.

After your ad budget is depleted, you won't be able to place new ads. Any content that provides educational and insightful value, however, can live on the web for a long time. As a result, it creates what is known as a long-tail effect, allowing different users to access your content as long as it is relevant to their needs. Generating quality content that endures over time is a big step in developing the long-tail effect and is worth more than an ad buy. Make it easy for your customers to search for and purchase your products and services. By doing that, as Joe Pulizzi says, "they ultimately reward us with their business and loyalty."

I also like the cut-to-the-chase point of view from David Meerman Scott, author of *The New Rules of Marketing and PR:* "Your customers don't care about *you*, your products, your services … they care about themselves, their wants and their needs. Content marketing is about creating interesting information your customers are passionate about so they actually pay attention to you." Scott's point is blunt and true.

We view and interact with content more than ever before. Your content helps your customers form their perception of you and your brand. Thus, content is part of the experience you provide to your customers online and offline. Content should be front and center of your marketing strategy, yet for most marketing professionals and senior managers, content is often an afterthought. **PM**

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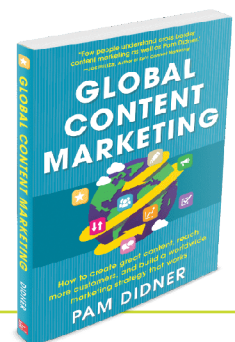
About the Author

Pam Didner is an author, speaker and marketing consultant. As a global integrated marketing strategist, she led Intel's enterprise product launches and worldwide marketing campaigns. Follow Pam on Twitter @pamdidner and learn more about her at pamdidner.com. You can download the first chapter of her book at pamdidner.com/book-gcm.

A COMMON-SENSE APPROACH TO

International Growth

BY SAM KUHNER

AS HEAD OF COMMERCIAL STRATEGY FOR ASIA in the Business Intelligence Division of Informa, I work with approximately 162 people across the region. Our division focuses on data gathering to ensure that the right salespeople focus on the right markets. This helps position Informa to create products that simplify the way clients work by mitigating risk and saving time. Our company has been growing quite aggressively over the past few years, mainly through acquisitions.

Two years ago, a director who took Pragmatic Marketing training at a previous company advocated implementing it on our marketing team. I attended mainly because we were beginning to build local products for clients in Asia, especially in Japan and China. Using the Pragmatic Marketing Framework has enabled us to become more strategic during this expansion. It supported us in getting the basics absolutely right, while also overlaying some things we hadn't considered as best practices.

Before training, we did things differently. When we had someone doing marketing communications execution in the local language, we'd ask them to do this without market-sizing exercises or any real work with customers. We would in effect be guessing which events and social-media channels to run. It was crazy and it was way too much for individuals; they were generalists at everything and specialists in nothing.

We would also do something without thinking about time frames or how to do it or testing. Now we take a more streamlined approach in terms of time frames: when things need to be actioned and done, how to create business cases and ensuring that people buy into the vision at each stage. And we are starting to notice a difference.

In some ways this is common sense. But it has ensured that we are executing in the right way. I've been able to influence people on the team to say, "You own this, these are the time frames, this is the vision, this is why we're doing it. This is the

outcome, this is the market sizing." It allows for more debate and collaboration, and, ultimately, for a much better outcome.

We now have teams that include product marketers and marketing communications professionals, rather than trying to blend the two roles like we did in the past. Our revamped marketing team now has 100 people split into five distinct markets. Each team includes six or seven product marketers, marketing communications, events marketing, social media and someone with local language skills for places like China and Japan.

We know who is responsible for what part. I can ask teams to send me user personas or user journeys. We know which problems our customers are trying to solve and how we can help them. We couldn't do that in the past.

Now we find marketing problems using surveys and interviews and encourage clients to participate on panels. We focus on market sizing and understanding the customer.

In fact, the training allowed me to refine a market-sizing exercise I had done a couple of months prior. The end result was a relatively simple—but robust—PowerPoint slide that made its way to our CEO and led to a large injection of money into China. Without that slide, I don't think we would have gotten that money for at least a couple more years.

> **There is no doubt that Pragmatic Marketing has helped us to grow in China and Japan.**

Incorporating facts in that slide allowed me to say, "Pragmatic Marketing helped me to get the market sizing correct, and we strongly believe that these are accurate figures for the next two to three years. This is where we should be investing. These are the people that we should have on the ground with us."

The way we approached the creation of a website for our Japanese market is another example of our change in focus. Japanese prospects prefer to deal with Japanese content, but all our websites were in English. In addition, service was based in the United States, resulting in time delays.

The idea was simple: to create a Japanese version of our website and host it in Japan. In the past, we might have said, "Let's just do a website that's one size fits all." But now we really thought about who would use the site.

We created a business case to get early buy-in from leadership. Then we put together a project management team and identified time frames that people could adhere to. Next, we contacted various vendors to locate the best partner for our project. We identified the types of clients and prospects that would use the site and tailored it to those user demographics.

We created pages for specific job titles, including one page for business development and another page for clinical operations. We made sure that time frames were adhered to and tested with wireframes along the way. We also brought in clients to ensure that the website worked effectively. The result was a cleaner, smoother, better outcome than in the past.

Getting marketing leadership actively involved in training from the start was a critical piece. Without fail, every senior executive at least took *Foundations*. Attending training helped

leadership buy in to the Pragmatic Marketing Framework, and they wanted their teams to succeed as a result of that. In fact, leaders who attended training continue to ensure that the knowledge filters down to team members.

Seeing the senior guys on the team take the training and scale it down for their more junior colleagues has been a revelation. We no longer spray and pray. There has been a fundamental shift, and teams are now working in a structured way that makes sense.

There is no doubt that Pragmatic Marketing has helped us to grow in China and Japan. We now have an additional six or seven people between both countries and have seen growth rates of approximately 7 percent in Japan and 22 percent in China. In the same way that some companies say, "We use Salesforce," we basically say, "We use the Pragmatic Marketing Framework." PM

About the Author

Sam Kuhner is head of commercial strategy, AP, at Informa Business Intelligence, where he is responsible for the go-to-market strategy. He has more than 10 years of international sales and marketing experience and has lived and worked in London and Australia. He joined Informa through the Datamonitor acquisition, where he most recently held the role of sales and marketing manager, Australia. Prior to that, he was sales and client services manager across brands, including Lloyds List, Datamonitor, Ovum and Citeline. Sam lives in Australia and can be reached at samkuhner@gmail.com or linkedin.com/in/sam-kuhner-7977546.

A PRAGMATIC APPROACH

Put this issue's ideas into action.

THE GL⊕BAL ISSUE

"We are a global group. We all speak different native languages and different business languages. The Pragmatic Marketing Framework has been one of the most powerful tools in uniting us. It's added a layer of rigor and evidence on top of our smart people having really great ideas."

Rob Shea
Sr. Director, Portfolio Management

"The Pragmatic Marketing training has allowed us to align much more quickly and not waste a lot of time in meetings where nothing gets accomplished. Because we're aligned, because we're talking the same language, we're able to work more effectively and increase our ramp time so that we're able to meet the objectives of the business faster."

Brina Kaiser
Product Marketing Manager, Infusionsoft

"Pragmatic Marketing brought to us a framework, an approach and a set of best practices that are truly world class. We took the training and then made it part of our DNA, as it was applicable day one. Pragmatic Marketing really has become the de facto industry standard for world class product management training."

Jonah Paransky
Executive Vice President

Don't listen to us.
Listen to our customers.

"I think the most unique thing about Pragmatic Marketing is that it understands the different disciplines and areas of marketing and how they should work together to achieve the type of goals we want to achieve. It's integrated and orchestrated so that you do bring the best products to market and do listen to your customers."

Ellen Derrico
Sr. Director of Product Marketing
RES Software

"We executed on our three year corporate plan in twelve months. Without Pragmatic Marketing there's no way that happens."

Frank Tait
VP of Product, Frontline Technologies

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