

# PRACTICAL RULES FOR PRODUCT MANAGEMENT

Some rules just aren't  
meant to be broken

**By Maureen Rogers**

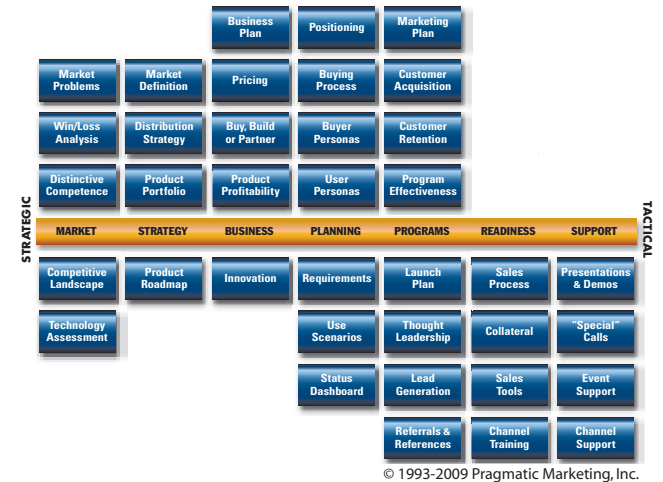
# PRACTICAL RULES FOR PRODUCT MANAGEMENT



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Before launching her career as an independent product marketer, she spent over 20 years in a range of individual contributor and management roles that cut across the product management and marketing continuum. Given her long and varied experience, she believes that it's highly unlikely that there's any marketing role she hasn't played, or task she hasn't done—from writing product specs to licking direct-mail envelopes to designing logos (poorly) to ghost-blogging.

No fan of ghost blogging, Maureen blogs on her own at [Opinionated Marketers](#), where she posts weekly on marketing matters, and [Pink Slip](#), where she writes daily about business, the economy, the workplace, and culture. She is a Bostonian, a graduate of MIT's Sloan School of Management, and an long-time, die-hard Red Sox fan of the pre-pink hat era.



The [Pragmatic Marketing Framework](#) catalogs the activities and artifacts required to create and deliver successful technology products. Those who attend the [Practical Product Management](#) seminar receive a laminated copy of the Framework which includes 20 rules for product management success.

In this e-book, Maureen Rogers applies her own interpretation and personal experiences to the 20 rules.

Note: The contents in this e-book were first published in [The Pragmatic Marketer](#) magazine and based on original material by Maureen Rogers on the Opinionated Marketers blog.

# PRACTICAL RULES FOR PRODUCT MANAGEMENT

Wait half an hour after lunch before going in the water. Never end a sentence with a preposition. Don't wear white after Labor Day and before Memorial Day.

Some rules really are meant to be broken.

But others aren't. In the "other" category, there are 20 astute and practical rules that Pragmatic Marketing has laid out for product management. I should know, because in my more than 25 years in B2B technology marketing, I've broken all of them. So with absolute conviction, I've reached the conclusion that, when it comes to rules, these all fall into the category of better to observe than to break.

After thinking about Pragmatic Marketing's rules, I've observed the following:

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## RULE 1

If product managers don't do their jobs, the other departments will fill the void.

**If you don't provide clear and supported input to the process, the engineers will develop what they please.** It's your responsibility to talk to your customers (and your prospects), check out the competition, listen to the analysts, learn about your industry, learn about your customers' industries, find out what your sales engineers and customer support reps are encountering, look at those RFPs, and glean market intelligence. And it's your responsibility to translate all this "stuff" into product requirements that you communicate to your engineers.

Yes, there will be things that your developers come up with on their own—and a lot of it will be great. But you need to be the driving force behind what goes into that product, or you could end up with a magnificently engineered product that nobody wants or needs.

**If you don't provide clear direction about your target customers, Sales will go wherever they please.** Your products should be built with some particular use and customer in mind...shouldn't they? Please let Sales know.

Even if your products are entirely horizontal—every company can use a database and a word processor—products need to be targeted to specific customers and/or buyers. You may also have a product that's better suited for certain-sized companies or specific geographies. There

may be good reasons to target industries as well. (If you're selling to later adopters, for example, Get-a-Life Insurance is more apt to buy if One-Life-to-Live Insurance is on your customer list.)

The point is, you need to send Sales where they stand the best chance of winning. Even if you have the most generic product, you have to start somewhere. Pick that somewhere wisely, or Sales will pick it for you. And, in the short run, they're not necessarily going to choose wisely (i.e. in support of your long-run strategy). Sure, they may make a sale or two, but it may not end up being a good thing for your product or your company.

**While we're on the subject of sales, if you don't establish pricing, Sales will make it up.**

You absolutely need to listen to what Sales has to say on the matter. But it's up to you to determine pricing that will work, that's commensurate with the value provided, that's not out-of-whack with the competition, and that is what the market can bear. If not, you'll be in the wonderful world of having your sales team cannily figuring out what the prospects have in their wallets, and then establishing that as the price *du jour*—or just low-balling and overpromising to get the deal. (Just watch out when customers get together and compare notes.)

When I first worked as a product manager, I wasn't all that sure what I was supposed to do. So I waited for everyone else—Engineering, QA, Tech Writing, Marketing, Sales Support, Customer Service—to stake their claims; then I ran around filling in the gaps. At the time, this struck me as a quite handy and pragmatic way to define my job. But it was a bad idea—and not just because I got stuck with all the stuff no one else wanted to do. As it turns out, products end up being better if someone truly owns the entire thing.

As so often happened during the course of my long career, I learned the hard way that good product managers aren't just pragmatic, they're proactive. They don't just sit around waiting to see what everyone else does; they make it clear up front what their role is. And then they fill that role, rather than the gaps.

Here are just a few of the things that can happen when product managers don't fill their roles:



# PRACTICAL RULES FOR PRODUCT MANAGEMENT

**If you don't provide clear direction about target customers and the right message for them, Marcom will go wherever they please and say whatever they want.** Like Sales, if you're not providing guidance to Marcom about target customers, they will come up with it on their own. Their programs may make spectacular sense; they may not. It's best not to leave things to chance.

Similarly, if Marcom doesn't know what the product is and does, they will come up with their own story. Again, their story may make spectacular sense; it may not. Again, it's best not to leave things to chance. I worked for a company that was teetering, very publicly, on the brink of bankruptcy. One day, I saw a banner ad for one of our services. The ad touted our financial stability. I immediately called the ad person in Marcom and pointed out that this wasn't exactly our strong suit. "But that's what our buyers are most interested in," she told me.

I could go on about how important this rule is, but by now you get it. And you were likely well ahead of me in getting it.

Of all of the Pragmatic Marketing rules, I find this the most important. And that's not because those who will be filling whatever void you leave are evil and must be stopped. (Hey, you may even want, need, appreciate their suggestions and advice.) But, if engineers are figuring out what's in the product all on their lonesome... if Sales is pulling prices out of their ear on the way to a call... if Marketing is claiming that your product solves world peace when it's really designed for warmongers—they're all trying to do something that is neither their expertise nor their responsibility. That responsibility is yours. Take it and use it.

## **RULE 2** An outside-in approach increases the likelihood of product success.

However brilliantly, presciently, and uniquely imagined a product is; however a product idea seemingly springs full-blown from some Medusa's head, there is no substitute for solving a real problem experienced by real people in a way that will work for them.

How do you get real?

I've found the key is in five simple words: See how your customer works.

That means looking at the current processes they have in place, at the inputs, the outputs, the end results. Who does what to whom? How do they do it? Where do they hit roadblocks? Little snags? Where does the ball drop? What happens when *that* happens?

There are a number of ways you can do this.

One is to actually go in and watch. Some of my most valuable hours in the field have been spent observing how my customers get their jobs done—with or without my product.

In days of yore, as the product manager for a mainframe financial reporting system, I spent the night at AT&T while they closed their books, just to see how they used our product.

Boy, was I exhausted after 20 hours. And, boy, did I see some areas where our product could be improved.

I've done this a few times since. And, to me, it's the most effective way to figure out where your product needs to go. Knowing what people go through trumps your imagination, common sense, and intuition—no matter how wonderful they all are.

Another good technique is open-ended interviews that get your customers and prospects to talk about "things": business, processes, behaviors, wish lists, druthers, etc. When I've used this method, I've taken notes and, where possible, made recordings.

A third technique I've used is creating "A Day in the Life" scenarios, where you lay out the hour-by-hour activities your customer goes through and figure out where your product can be inserted to relieve some of the pain that invariably occurs in even the happiest work day. Obviously, it helps if you've observed and/or spoken with customers to ensure you have the right idea about how they spend their days.

The bottom line: Your product has to "fit" the customers' needs and desires, solving a true problem. You never want your customers to be stuck exchanging an existing problem for a new one—using your product. This won't happen if you build a product outside-in.

## **RULE 3** Time spent on the strategic reduces time wasted on the tactical.

Simply defined, *strategic* is where you want to go; *tactical* is how to get there. It's pretty easy to see that you'd better have the strategic figured out first.

While there are many different areas in which the "strategy vs. tactics" debate

can occur, I'll frame it here in terms of trying to market a product absent a strategy. (Which also translates into trying to market a product for which the product manager hasn't followed Rule #1, and the product has just sort of happened—generally at the hands of the engineers, I'm afraid.)

My personal favorite is the "if we build it, they will come" approach, in which a product is built, then tossed over the transom into Marketing, who are presumably waiting with open arms and closed mouths for the product toss.

No, no, a thousand times no!

You need to have a product strategy in mind that spells out positioning basics (who's going to use the product and why), establishes the pricing rationale, provides at least a rudimentary guidepost for where the product is going, etc., etc., etc.

Another thing we've all faced as marketers is the situation in which we've been goaded (forced?) to just *do* something, do anything. "Something" must be done! This usually comes down on the head of Marcom and usually means helping fill the big, gaping maw at the beginning of the sales pipeline.

Do something. Do anything. Let's get going.

Banner ads...webinars...email blasts...spiffs...promotional deals...guys with sandwich boards trolling the streets.

Thus, the campaign to nowhere begins.

You may get somewhere, but even that somewhere is going to feel like nowhere, absent a strategy. Never confuse activity with action.

There's a corollary to this rule: *In the absence of a strategy, people will go ahead and do what they think is best.*

So the marketers will look at the product they've been given and hazard a guess on where they can market it. They may do a bang-up job of it. (Great! Two hundred tuna fishermen attended our webinar. Too bad our product doesn't really do anything for them. Not to mention that we really should be selling to tuba players. Tuna? Tuba? Close enough.)

Strategy's hard. It means really thinking through things. It means taking a risk by declaring where it is you want to go. It means having the discipline and strength to give it time enough to succeed.

Tactics absent strategy? You might think you're getting somewhere, but you're really on the night train to nowhere.

## **RULE 4** In the absence of market facts, he who owns the compiler wins.

I've lived through this nightmare more than once, and all I can say is, even in the presence of market facts, it's plenty easy for the guy with the compiler to win. But when you're working with the engineers, it is always best to have the following:

- **Win-loss analysis.** If 19 out of 20 times, you hear that a key factor in a loss was ease of use, your developers may respond that “the customers don't know what they're talking about,” “we're selling to the wrong people,” and “our sales folks don't know how to sell.” *But you will have market facts to support your argument that the UI needs work.*

- **Competitive information.** The last thing you want to find yourself doing is playing competitive catch-up. It is *always* useful to know what you're up against. And, if you can anticipate moves that your competition is going to make— by watching what they're saying publicly, whom they're partnering with, where they're selling, etc. —so much the better.
- **Market trends.** What's going on in your industry or the industry into which you sell? What's being said about technology trends? No, you don't have to listen to every pronouncement from on high, but it helps not to operate in a complete vacuum. So dig up whatever data you can find on SOA, SaaS, MDM, or whatever acronym your product needs to accommodate. (Years ago, I worked for a software company that was wedded to OS/2. I came to a development meeting with a copy of *InfoWeek* magazine sporting a cover showing OS/2 in a coffin with a lily on it. That display definitely helped us move along on our decision to convert to NT.)

- **Customer input.** The customer is not always right, and sometimes, they will ask for stupid or irrelevant things. But your trusted customers— not your developers—are the ones actually using your product, so their ideas matter.
- **Sales engineering and customer service input.** Better than anyone else, your sales engineers tend to know the technical obstacles to selling and implementing your product. You need a forum for capturing their ideas. Better than anyone else, your customer service folks tend to know the technical obstacles to ongoing, day-to-day success with your products. You need a forum for capturing their ideas, as well.

When you, as a product manager, start talking product with the engineers, you need to be armed with the richest set of market facts you can find. The preceding suggestions are useful sources of those facts. It's then up to you to put the market facts into a digestible, sensible format for presentation to engineering.

There is still no guarantee that a really stubborn guy with a compiler won't balk at product ideas that aren't invented in his brain. But, if you've got the facts, ma'am, it's far more likely that resistance will fade away.

## **RULE 5** Product Management determines the go-to-market strategy; Marcom executes the strategy.

First off, much of my career has been spent in smaller companies where Product Management/Product Marketing and Marcom were housed under one very small group. Heck, I've been in places where they were me, myself, and I.

But I did spend several years in a large company where we had separate Product Management, Product Marketing, and Marcom groups. And herein lies a cautionary tale of what happens when it's not clear who's setting the strategic agenda.

At this company, Product Management and Product Marketing resided in the same group, and we were clear about the roles each group played. But Marcom was completely and utterly separate from us, connecting on the org chart only to the president's box.

This would have worked out fine if someone in the president's box or in the EVP boxes just below actually agreed that Product Marketing—which set the go-to-market strategy—and

Marcom were separate functions, with different roles, responsibilities, and expertise. And then declared that the two groups were going to get along.

Well, that never happened. And, although the reasons had little to do with marketing, is it any wonder that the company folded?

Although I had many good friends and colleagues in Marcom, relationships between us (Product Marketing) and them were generally non-productive and rancorous.

Marcom was under Sales, and much of what they did was what Sales wanted them to do. Suffice it to say that Sales wanted the short-term hit, not the long-term build. It never seemed to matter what the overall corporate strategy was; if Sales didn't think they could easily sell it tomorrow, it didn't get marketed today.

Marcom also owned the entire budget, so Product Marketing was always in the position of begging to get any attention for our products.

Sometimes, the budget stuff played out in ridiculous ways. At one annual (internal) sales conference, we had an exhibit hall for the products. Product Marketing had draped tables, out-of-pocket signs printed at Kinko's, photocopied sell sheets, no lights, and lame-o promotional gimmicks to attract the sales guys' interest.

Marcom shipped in tradeshow booths—complete with beautiful lighting and nice signage—at which they showcased their new corporate brochures, ad campaigns, website, and corporate giveaways.

We had the content; they had the stuff.

Shouldn't we have come together on this? But, no. The enmity between the two camps was just too great. The rap on Product Marketing: no sense of the real-world pressure from Sales. The rap on Marcom: no content, big spenders.

I spent half my life at this company just trying to define organizational roles, smooth ruffled feathers, make peace, and make some sense out of things. Believe me, if I couldn't get things to work out between us, no one could.

What a waste!

So, I'll add to Pragmatic's rule: Ensure that the roles are clear, and insist on an environment of mutual trust and respect. Strategy and execution are both important. But if the executors aren't bothering with the strategy, whatever happens will not be pretty.

## RULE 6

Product Management should help sales channels, not individual salespeople.

Obviously, when you're developing market approaches and sales tools, your product and company will be best served by your focusing on those that can be widely deployed across an entire sales channel—whether direct or indirect. Take it from someone who has done some

serious hand holding with some fairly hapless sales folks, we all would have been better off if I'd spent my time on things that would be available and useful to everybody.

But is the converse true as well? What about time spent with the truly excellent salespeople?

Maybe it's because I've spent so much time in small companies, there are plenty of circumstances in which I've spent what I considered very profitable time with individual salespeople who are pleasant, helpful, and insightful. In my experience, these have also tended to be the most successful sales folks.

You could argue, then, that they don't need your help. Maybe. But, as a marketer, you still need to acknowledge that you might need their help for reviewing sales tools, great feedback, access to customers...and so on. Yes, there are plenty of reasons why you want and need to develop relationships with individual salespeople. And sometimes that will mean providing them with individual help. The good news? They're not the kind who'll ask for it unless they genuinely need it.

Of course, just as time spent helping out dunderheads detracts from working for the greater, common good, so does time spent working with the A students. So you have to be careful not to indulge yourself all that much.

As for spending time wisely, like a lot of product managers, I've spent hours concocting presentations on demand, pitching in on last minute RFP responses, tweaking data sheets—so much easier now that everything's PDF'd rather than printed—when the same time could have been spent making sure that strong, current, baseline materials were made available in a shared space.

Just say “no” to creating a slight variation of the wheel every time a salesperson calls and asks you for something.

Similarly, when you're eliciting feedback and product input from sales, it's better to hear from many voices, rather than respond to the bleating of the lone sales wolf whose input is colored by the last lost deal.

But as a marketer, I really want to reserve some quality time with the quality salespeople.

## **RULE 7** Be able to articulate your distinctive competence.

So why, exactly, should someone buy your product as opposed to the other guy's?

It may seem obvious that you need to be able to tell a prospect what's distinctive about you, but we often get caught up in just getting the features and benefits out

there. Our product is *really* good, and we want everyone to know about it—so sometimes we forget to mention “why us.” It's also easy to fall into the trap of picking up on some picayune feature that nobody cares about and making a big show about how and why this is a big differentiator. I've certainly done it: our product is the only one on the market that brings a smiley face up on each screen...the only one written in an obscure, arcane language...the only one that comes in a plain, brown wrapper. But a differentiated feature of your product, no matter how meritorious (or not) is NOT a distinctive competence.

No, your distinctive competence is something that you genuinely excel at—and that benefits your customer.

We all know the standard ones: You're the most efficient, with the most streamlined service and support; you've got the most advanced, the very best product; you're the most in tune with your customers and what they actually want, need, and value.

What might your distinctive competence be? Here are a few examples:

- You may have deep-seated knowledge of an industry that enables you to develop products that solve vertical-specific problems in ways that generic, horizontal applications can't.
- Your engineering approach may enable you to react to customer requests and emerging requirements more rapidly than others.
- Your implementation team may be so proficient that they can easily and cost-effectively customize your application.
- Your training approach may help your customers more easily “on-board” new employees.
- Your automation strategy may let your customers painlessly and quickly purchase and implement new modules.

Whatever it is, you need to know just what your distinctive competence is. And it should go without saying that it's reality-based. Prospects and customers will figure it out pretty quickly if you're blowing smoke here.

## **RULE 8** Your opinion, although interesting, is irrelevant.

Doesn't matter how strategic, how tactical, how important, or how trivial: People always second guess what Marketing does.

In these circumstances, the rule about opinions holds.

But I have to add a big qualifier, because an informed opinion can be both interesting *and* relevant.

As marketers, we've all had to put up with the "everyone's an expert" syndrome, in which people feel free to second guess and take pot shots at everything we do.

Unveil the new logo? Someone will hate it—and let you know.

Name the new product? Guaranteed that someone will think the name is dumb—or inform you that they once had a dog with this name. (Come on, did someone really have a dog named OmniCentraSolvAll?)

Publish the list of new features? Why'd you pick *those* ones? Why didn't you use my suggestion?

Color of the golf-outing t-shirt. Trade show graphics. Target market. Partner strategy.

Sometimes the person with the informed opinion knows something you don't know. Or thinks about something in a way that you don't. Or just always seems worth listening to.

With any luck, you'll know who the Informed Opinions are and include them somewhere in the process before decisions are made. (*After* you spent all that money on the new logo is not the time to find out that an underground fascist party or the dumbest reality show ever uses a similar graphic.)

What can the Informed Opinion do for you?

It can save you from making a mistake.

You might have fallen in love with the new color scheme. Come on, who doesn't like avocado and harvest gold? The Informed Opinion might inform you that two of your closest competitors are using the same colors, and you don't want to look "me, too."

UniCentraSolvAll may sound like a uniquely swell product name. Informed Opinion may be able to tell you that it's actually a heavily marketed pesticide in one country, or a product that in another country unclogs drains.

You may have missed an important and compelling product feature, and Informed Opinion may be able to tell you what it is and why it's so important.

Of course, Informed Opinion's opinion is not so important if you've done your homework. But you can't think of everything, so it's always good to have a couple of trusted Informed Opinions you can count on.

As far as your own opinions go: Offer your opinions only when asked for them. Try to eradicate (or at least minimize) any after-the-fact sniping and second guessing. (You hate it when it's done to you!) And keep in mind that an opinion that's informed by facts and market information is genuinely valuable and generally welcomed.

## **RULE 9**

The building is full  
of product experts.  
Your company needs  
market experts.

There's nothing worse than a marketing person who knows little about the product they're marketing. Matters not whether you're "just" in Marcom; minimal fluency is required. The bar gets raised for Product Marketing and Product Management, of course.

Not to mention what's lurking out there that might have an impact on your customers and prospects—and how they might benefit from your product at this particular time. And just how *do* those customers use your product? What connections are they making between the features and benefits? What are they asking for? What do they need that they aren't requesting?

Sure, it's great if you can read binary, but in the long run, your product is better off if you can read *The Wall Street Journal*.

But as the rule says: If you're in technology marketing: *The building is full of product experts*. Developers. Services folks. Sales engineers.

Nice if you can demonstrate your understanding of SOA, your appreciation of MDM, your giga-intimacy with bits, bytes, and all assortments of hertzes. What the company also (and really) needs from Marketing is insight on what's happening in the market.

What's the competition up to? What trends—both technical and business—do you need to watch? What's up with the wonderful world of compliance and regulation? (Eek! It's everywhere.) What's going on in your verticals?

## **RULE 10**

Find market segments that value your distinctive competence.

I suspect that all marketers have, at some point, attempted to broaden their market to extend beyond whatever segment in which they find themselves. Sometimes this makes absolute sense. The problem occurs when you start convincing yourself that your offering—as *is*—will work for everybody.

At the macro level of “distinctive competence,” you’re not going to sell bleeding-edge technology into an industry where companies typically adopt new-fangled “stuff” with a five-year lag. You’re not going to sell a costly, hands-on services model to a company that prides itself on do-it-yourself. You’re not going to sell costly bells and whistles to a company that runs on shoestring margins.

At the less-grand, micro level, “distinctive competence” may translate into a feature set (or singular feature) that is ideal for one market. So it’s tempting to think that should at least be somewhat useful for other markets, as well.

But unless that shiny new market really needs and wants what you have, heading down this path will only get you: more expense to attract fewer customers, longer sales cycles, more price resistance, and less satisfied customers. You name it; you’ll find it when you drift into territory that doesn’t value your distinctive competence.

So before loping down the Boulevard of Broken Dreams, you owe your product a critical examination of just how and why someone wants and needs what you’ve got. Plain and simple, if you can’t come up with an answer, those potential customers won’t be able to either. Sure, you’ll convince some of them to buy your wares by sheer force of will. But that’s not the recipe for market success.

You may, of course, be able to create that market success by altering, or perhaps even just tweaking, your product. Just make sure that this is something you really want to do (i.e., something that fits your strategy).

Yes, focusing on your distinctive competence—or even on your simple, technical differentiation—may mean that you find yourself in a niche. This is fine, if being a niche player is what you really want to be. If not, find yourself a distinctive competence or means of differentiation that won’t relegate you to a niche.

Easier said than done, I know. But whoever said that product management was easy?

## RULE 11

### Don't expect your sales channel to conduct win/loss analysis.

Ideally, your product marketing or product management team should conduct win/loss analysis. Alternatively, if you really think people are reluctant to be candid when talking with someone in-house, you should hire a third party.

Analysis should begin with a mini-debrief with the salesperson and (better yet) the sales engineer. An initial impression by those closest to the deal may yield a useful avenue for your questioning.

Prepare a specific list of questions—about your product, pricing, and process—to review with every prospect. If you have a complex sales process that involves many different people on the buying side— influencers, decision-makers, purchasers—try to talk to several of them. Realistically, this isn't always feasible—especially after a loss. And remember that a good, candid conversation with your prime sponsor is worth plenty; so don't get greedy.

Beyond specific questions about product, pricing, and process, try to flat out ask lost customers the following questions: What we could have done better? What would it have taken to win? Where did the competition outshine us? For a win, ask those same questions about the competitor.

Win/loss conversations should be brief (no more than 10-15 minutes), and they should take place within a week or two after the decision is made. Conversations are ideal, but email response works just fine.

It goes without saying that the information should be kept in some sort of a system—and in a systematic fashion—so that you can make some sense of it as a whole and not just look at disparate information points. This analysis is not all that easy to do when you're looking at subjective information, but there's no point in collecting win/loss data unless you're planning to draw general inferences.

Here are some ways your win/loss analysis can help you:

- Determining which features you need to add to your product
- Refining your pricing
- Shaping your marketing message
- Homing in on a more sharply defined target market
- Improving your sales and marketing processes

Yes, lots of good things can and will come from win/loss analysis. Just don't ask your sales folks to do the heavy lifting for you.

I wish I had a Euro for every time I sat through a pipeline review meeting and, as last month's hot prospects transitioned into the "L" column, asked the question "Why'd we lose?"

I should have saved my breath. After all, just as the answer to "Why'd we win?" always turns out to be "superior salesmanship," the "Why'd we lose?" answer is invariably "Our price was too high," or "Our product stinks," or "They went with somebody else," or "They did nothing."

Let's face it, it's just not in the nature of most salespeople to analyze why a sale did or did not happen. Plus, you want and need your salespeople to look forward, not backward.

So who does win/loss analysis—and how do you go about it?

## RULE 12

The answer to most of your questions is not in the building.

During the dot.com era, I worked for a large Internet Services Provider (ISP) where rank-and-file marketing people rarely had access to customers and prospects. I had come there from a small software company, where I went regularly on sales calls and frequently spoke with

customers, so I knew I was missing something.

In my three years with the ISP, I went on a handful of calls. Our sales model was multi-layered, and there were often three or four folks just from Sales on every call. No room in that clown car for another body! If Sales brought another body along, it was typically a technical expert or a product manager.

During those years when I was starved for the outside perspective, I did participate in many events, speaking on behalf of the company, so I was able to have some interaction with customers and prospects. But it was way too limited. I also met often with industry analysts—another good source of insight and information. But I really missed customer and prospect interaction.

Several times I created customer surveys, but was not allowed to speak with customers directly; I had to go through multiple layers of the customer support organization.

All in all, it made for a very high frustration level, in which I always felt I had my nose pressed up against the window glass—able to see, but not communicate with the world outside.

Fortunately, I developed good relationships with enough of the technical sales folks and sales engineers to get my questions answered. But it was not really the same as building good relationships with customers or hearing first-hand what prospects were saying.

You really do need to get out of the building to truly understand how people use your products and services and to appreciate the benefits they derive. You need to get out there to see which parts of your message customers respond to and which parts draw blanks—or leave them cold.\*

Obviously, you also need to stick your head out to get a sense of what's happening in the economy and technology—both in general and with your industry, your market, and your competition, in particular. (Thankfully, the Internet gives us all the chance to get our heads a bit out there.)

None of this is to say that there's not important “stuff” that you can and should find out within your own four walls. There are definitely people who know things, and you should know who they are and how to tap them. But, when it comes right down to it, there's really just one question that can only be answered inside the building, and that's “How does it work?” For everything else, you need to look outside.

\* I read [Tuned In: Uncover the Extraordinary Opportunities That Lead to Business Breakthroughs](#), by Craig Stull, Phil Myers & David Meerman Scott after I'd written this article. *Tuned In* makes the excellent point that, in addition to speaking with customers, you should also make sure you spend time with non-customers, since they represent the majority of the market.

## RULE 13

Every “product” needs a product manager and a business case.

In my experience, most B2B technology companies do see that all their products have a product manager. Sometimes the product manager winds up with multiple products—which is okay if they’re on the smallish side and in the same family. If the products are on the biggish side and

not well related, it can lead to product attention deficit disorder. But, fortunately, most products tend to have product managers.

But those business cases...

Products start out in many ways.

Sometimes (especially in the software industry) they get developed by someone who thinks it’s a good idea and just goes ahead and does it. If that’s the case, the product manager may be tasked with creating a business case after the fact, trying to figure out the positioning and all that other good stuff that should have been determined before the product was created.

Sometimes a product starts out with a business case, but it never really gets evaluated—let alone updated. And if you don’t bother to regularly update your product’s business case—or create it anew—you run into a lot of dangers:

- Missed market opportunities
- Missed product enhancement opportunities
- Pricing that leaves \$\$\$ on the table

- Putting too many resources on Product X and too few on Product Y
- Hanging on to a product that really should be on an end-of-life path

We all know how easy it is to keep chugging along, doing the same thing quarter after quarter, year after year. If you’re a product manager, you probably know this drill by heart. You do your job. You cover all the bases: product requirements, project plan, documentation, product launch, sales tools, sales training, marketing programs, etc.

It’s so darned easy never to take the time to critically examine your product’s *raison d’etre*—and really figure out if there’s enough *raison* to keep the *d’etre* going.

Product managers, it’s never too late.

If you have products with a business case covered by a spider web, it’s time to create a new one. You may have some tiny little fear that a business case will end up putting your product out of business and your job at risk.

Truly, this is a remote possibility; and, in fact, the best way to make sure it doesn’t happen is to ensure that the product(s) you manage have a strong business case behind them.

As the saying goes, the unexamined life is not worth living; and, in the end, the unexamined product is not worth managing.

## RULE 14

Look for opportunities  
to deliver the remarkable.

I confess: When I first saw Pragmatic Marketing's word remarkable, my initial thought was, "Is this one of those annoying words like *passionate* and *personal brand* that pop up from time to time to test my gag reflex?"

But that first thought was fleeting.

As product marketers and product managers, we should want to deliver the remarkable in whatever we do. Think about it for a minute.

If you settle for "good enough" in your product and don't include at least a few "nice to have" goodies, your customers will greet the new release with "It's about time!" And your prospects will greet the product with "Big deal—now you have what everyone else does."

Is this the type of response you want?

No, you want your customers and prospects to have some sense of delight—something they hadn't thought of...something that's a bit out of the ordinary...something they'll find really useful, or at least interesting.

It could be something as simple as a last-minute time- or trouble-saving feature. Maybe it's a smooth integration with an application everyone in your target industry's using. Maybe it's something all-new, first-ever, state-of-the-art—that everyone will soon clamor to own. Your remarkable "thing" could be a couple of hours of installation support thrown in—not because installation is such a bear, but because every environment's different and anything can happen. Remarkable can be extending the number of seats the license will support.

You can be remarkable in your sales process by really and truly listening to what your prospects and customers are saying, and responding to them. You can be remarkable in your customer service process with a check-in phone call to follow up on whether or not last week's problem has been resolved. Don't forget the finance side of things, either. A lot of customers would find it quite remarkable if you contacted them to let them know you've discovered an overcharge, or that more attractive financing is available.

It's a tough world out there. In order to get noticed—and to win business—you need to do something to stand out. And it really doesn't have to be all that remarkable—just something simple for which your customers and prospects will love you.

## **RULE 15** With positioning, the focus is on what we do for the buyers.

We love our products.

We're proud of who we are  
and how we got here.

Yes, yes, yes...we know what  
went into developing them.

We want everyone to know  
about all the cool features.

But before we get too carried away, let's focus on messaging that's relevant to the people who are actually going to *buy* the product.

This rule is really resonating with me these days. I'm working with a new client, and there's a part of their history of which they are rightfully quite proud. In fact, they're so proud of it, that they pretty much lead off with it. Which would be fine and dandy—except that this little piece of information (which looms so mightily for “us”) is stunningly irrelevant to the customers they're trying to attract.

At best, it's of passing interest—like finding out that the woman in the next office was an Olympic pairs skater, or that the sales guy you did booth duty with at the tradeshow is related to the almost-famous actor with the same last name.

So, when you're positioning your product, lead with what's important to the person who might be writing the check, not with what's near and dear to *you*.

I am not, by the way, advocating for positioning that excludes what the product actually does. I'm a strong believer that good positioning includes not just what a product does for the buyer, but what it does, period. I absolutely hate reading about how a product saves time and money, increasing your bottom line—and coming away without knowing whether we're talking about accounting software or a Ginsu knife.

So save the off-message information for footnotes, conversation, or company background.

Yes, it's interesting that your founder won the Pulitzer Prize. That your product was originally built to count hula hoops. That corporate headquarters is located in the old mill where Civil War muskets were manufactured. *Nice to know...just not need to know.*

Obviously, no one is going to make the positioning mistake of telling the audience what's in it for the company selling the product (“We need this product to be a success so that we can stay in business!”). But it's pretty easy to slip into talking about what's of most interest to us, rather than to focus on what the customer really wants to learn.

Sure, there are two sides to every transaction, and the buyer knows that there's something in it for us. But let's face it; all buyers really want to know what's in it for them.

## **RULE 16** Positioning should be complete before you start developing.

Anyone who has spent more than a few days in technology product management, product marketing, or development is familiar with that scariest of creatures: The Continuously Morphing Set of Requirements.

Everyone can be guilty of feeding this particular beast by coming up with a last-minute feature request. Even if you have stellar positioning, you still might have light bulbs go off in your head right up until the second the product is supposed to ship. But if you have solid positioning completed *before* product development begins, you should face no major surprises, because you will already have considered:

- Who exactly will be using this product?
- How many different constituencies are there (worker-bees, managers, partners, customers of your customer, etc.)?
- For what specific purpose will each of these groups be using the product?
- What does each of these groups need in order to truly adopt the product?
- What does each of these groups need in order to derive maximum benefit from the product?

- How will the product be deployed?
- How will the product be sold?
- What does each channel need to effectively sell the product?
- Who will be implementing this product?
- What do they need to easily deploy it?
- Who will be supporting this product?
- What do they need to effectively support the product?
- Where will this product be available?
- Are there any regional/country differences to consider?
- Etc.

This list might seem “duh-simple,” but you’d be surprised at the “must-have” requirements that show up at the last minute if you haven’t answered them.

If you haven’t thought about your sales force, you may forget to mention to the developers that you need a web-accessible demo. That decision to market overseas may have significant implications. You may not have considered the possibility that management doesn’t want to use the product every day, but still wants to see high-level information on a dashboard.

The more precisely you’ve defined your positioning, the less likely you are to have any last-minute surprises—or even post-last-minute surprises, when you’ve launched the product, only to find it comes up short for any number of reasons. Reasons that you could have easily avoided if only you’d answered all the questions!

## RULE 17

### You need a positioning document for each type of buyer.

In the dawn of technology marketing, we spoke “techinese,” emphasizing features and often forgetting the benefits.

Then someone uttered those immortal words, “People don’t buy features; they buy benefits.” So we were off to the races with benefits statements.

Unfortunately, all benefits statements started to sound alike: Use our product to save time and money, increase productivity, and grow your revenues. You could read these benefits statements and come away with no idea whatsoever whether someone was trying to sell you a mainframe or a spreadsheet.

This all came about because, as marketers, we often fail to think through exactly who our buyers are—especially in terms of all the various constituencies who might be involved in a purchase decision.

We jumped from thinking only about the techies and their need to know the gritty product details, to thinking only about the illustrious “C-level” exec who just wants to know the ROI.

With individual positioning work, you’ll have the essential messages you need to communicate about your product and its value to *all* of your audiences.

- For the **technology buyer**, go heavy on the features and technical details. By the time they’re looking at your product, these buyers have often already made the decision to buy something. They need to know what differentiates your product from the pack. Sure, they want to know how your features translate into benefits, but mostly, they want to know how it works, what it’s made of, and what it’s going to take to implement and support. When they’re thinking benefits, they’re probably looking for what they need in order to sell up the chain in their organization.
- **End users** mostly want to know what your product does for them, how it’s going to change the way they work, and how easy it’s going to be for them to learn to use. And just like misery, end users love company: They want to know who else is using your product.

- **Managers** may not need all the details that the tech buyer and end user do, but they still need info on how your product is going to make life better for their people *and* for them. It’s at this level that the positioning starts shifting gears from being predominantly feature-oriented to a bit more benefits-oriented.
- For the **executive/economic buyer**, your positioning moves squarely into the benefits camp. But you still need to ensure that the positioning communicates what the product is and does, since even the most hands-off execs need to know whether they’re okaying the purchase of accounting software or a storage drive.
- Don’t forget **vertical** positioning, either. Most industries have their own peculiarities and lingo.

Having these positioning documents on hand saves you a lot of effort when you’re creating sales tools, collateral, and program material. You’ll know what to say, and you’ll make sure you’re saying the right thing to the right people.

## **RULE 18** Name the product *after* positioning is finished.

Given that you want your product name to resonate in some way, this is a good rule of thumb.

With your positioning complete, you realize which attributes of your product are the most compelling, so you can craft a product name that speaks to those attributes. Is your product all things to all people? Are you most psyched about how environmentally friendly it is? How about “Green Thang”? (Okay, that’s terrible, but you get the point.)

Whatever product name you choose, keep in mind product naming isn’t nearly as important or essential for technology products as it is for consumer products. You brush with Crest toothpaste, not P&G.

Many B2B technology products are referred to by the company name, not by the specific product name (for example, many people say “Oracle” when asked what database they use). So you don’t always have to spend a lot of money and effort coming up with perfect names, when what you really want to do is promote your company name as your brand. Sure, there are exceptions—Microsoft Office, Outlook, Word, Excel, and PowerPoint come to mind—but what matters most is your company name.

Another thing to consider—and I’d recommend this for anybody who thinks they’re ever going to have more than one product to name: Create an overall naming architecture and set of guidelines. Maybe all products will start with the Company Name, followed by a straightforward expression of what the product is or does:

- Acme Accounting Software
- Acme HR Software

Maybe it’s Company Name, followed by something that combines an element of what the product is, as well as an associated attribute.

- Acme Accounting Excellence
- Acme HR Excellence

Or vice versa:

- Acme Excellence for Accounting
- Acme Excellence for HR

While you’re at it, figure out how you’re going to handle versioning, “special editions,” and any other rules you want observed (for example, don’t use two of the same vowels together in the same word).

If you’ve got all this codified ahead of time, people will spend a lot less time agonizing over names.

## RULE 19

### Provide collateral, tools, and programs to support each step in the sales cycle.

As you move forward in the sales cycle, you'll want to introduce tools and collateral that help the ROI cause, provide customer testimonials, explain implementation, etc. At this point, prospects have a need to know and need to use.

For heaven's sake, don't send out the whiz-bang PowerPoint until you're scheduled to walk through it in a virtual meeting (maybe not even then). You can always email the file to the prospect after the presentation.

When meeting in person, some people like to distribute presentation copies beforehand; others like to distribute them after the fact. I'm for giving them out after the fact, preferring to turn a presentation, wherever possible, into a two-way conversation, rather than a slide read-along. And make sure that the slides are annotated, so that someone who wasn't at the presentation is not reading a page that says only:

- It's big.
- It's wonderful.
- You'll like it.

With notes, they can read the fine print and understand what point you're trying to make.

Whether you work at a small or large company, there's always the temptation to shoot out all the collateral at once. *Take one of everything! Don't*

*we have a lot of neat stuff for you? And now, of course, we have a tendency to put all that stuff up on the website and let prospects download whatever they want. Unfortunately, those prospects could get overwhelmed and/or not read much of anything. So, it's really best to reserve some bits of information that your salespeople can send out at different points in the cycle (following a roadmap for what-goes-where-when that you provided).*

Similarly, your marketing programs—tradeshows, seminars, webinars, direct marketing, blogs—should be used for different purposes and at different times in the cycle. But don't forget, many programs can serve multiple purposes: If you're going to a tradeshow, you're probably trolling for leads, but don't forget that it's a good opportunity to set up face-time with customers who'll also be attending.

B2B technology sales don't tend to occur as one-shot events. They take time. And during that time, you want to make sure that you have something more to say or do than have your sales folks on the phone asking, "Have you made your decision yet?"

Early in the sales cycle, a prospect needs to know the basics about your product and company—enough to help establish interest (theirs) and credibility (yours). Period. Dangle a case study in front of them. If they bite, great! You've moved them a little further along.

Thinly veiled sales pitches can go out in the second wave. But you might want to reserve a really meaty whitepaper—one that digs into industry and/or technology trends and downplays the product stuff—for someone who's demonstrated serious interest. (If you have such a whitepaper, you probably paid plenty for it and should use it judiciously—this goodie is worth something. Serious prospects only!)

Nitty-gritty product info should be available to the serious tech buyer. Within reason, you'll have a lot of this material on your website as downloads, but you might want to reserve highly detailed information for prospects that are fairly far along in the sales cycle—and have the salesperson send it, or make it available via special download.

## RULE 20

The market-driven product manager should be the final authority on what goes into the product.

While this should be the most obvious of rules—after all, someone *has* to be the final authority on product requirements—the operative term here is *market-driven*.

Take it from someone who's been both a product manager and a market-

driven product manager, there's a world of difference between the two.

The plain-old product manager serves a very valuable function, making sure that the requirements are nailed down; keeping a product release on track; knowing at any given time just where things stand with development, QA, documentation, packaging, manufacturing, production, training, marketing, support, sales, etc. The product manager knows who the customers are—and who they aren't. The product manager gets to buy all those bubble-gum cigars for launch date—“It's a product!”

Sounds pretty good, no?

But here's where life is not so good for the non-market-driven product manager: He or she may have made sure the requirements were nailed down, but they're not likely the one who actually did the nailing.

Absent strong awareness of the market—the kind that comes from knowing your customers, industry, product domain, competition, and business and technology environments—a product manager

will almost invariably give in to the loud-mouth/know-it-all brigade—developer, salesperson, or anyone else who is willing to voice a strong opinion (informed or not).

The product manager in this scenario is really a glorified project manager—the keeper of the Gantt charts, spreadsheets, and schedules—but not the person who truly “owns” the product. That is, until the product meets with some market resistance. Then, you can best believe heads will swivel toward the product manager, eyes will turn, fingers will point. “How did we let the product go out the door without X, which everybody seems to want? Why did we waste all that time and money on making sure the product did Y, which nobody seems to want?”

Sure, this can happen even when the product manager *is* market-driven. Anyone can make a mistake.

But that scenario is far less likely for the market-driven product manager, who will have either made sure the product does X or understand why it doesn't; who will know why Y went into the product and what you need to do to ensure it's not a waste of time.

The product manager should be the final authority—but that will happen only when he or she has *earned* the authority by being able to show the world—especially those loud-mouths/know-it-alls—what being market-driven is all about.

# PRACTICAL RULES FOR PRODUCT MANAGEMENT

I hope you enjoyed this e-book, and it gives you some food for thought. If you want to learn more, check out the following.

*-Maureen*



Maureen blogs at [Opinionated Marketers](#), and [Pink Slip](#).



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