

Customer Focus Puts CCC Product Managers in the Driver's Seat



If your car has ever been damaged in an accident, you understand that streamlining the insurance claim and collision repair process is of paramount concern. For over two decades, CCC Information Services Inc. has been doing just that. CCC supplies estimating software and communications systems that help put drivers back into their cars faster after an accident. As an innovator of automated tools, CCC has

grown into a \$200 million company and now boasts the largest network of repair facilities and insurance companies in the industry. To remain a leader, CCC recognizes it must keep a finger on the pulse of that network.

Toward that end, CCC recently embarked on a plan to retool its product management organization

to become more efficient and more closely aligned with the market. "Over the years, CCC has expanded from a single-product company to an array of technologies serving multiple markets across the entire claims management process," says Jim Dickens, senior vice president of product management and marketing. "We realized that to sustain our leadership position in the market, we needed a

world-class product management organization. So we decided to research and implement best practices to strengthen our core methodology."

One of the team's immediate realizations was that their existing product management approach was based on ad hoc processes that were inconsistent from one product manager to the next. "In our old organization, each product manager was responsible for a single product," Dickens explains. "How each manager handled that product depended on the individual's experience and interests. One product manager would be writing use cases and technical specifications, and another would only be involved in the marketing end. That meant our development organization had to adapt to each scenario, making it difficult to really understand product management's role and key areas of responsibility."

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senior vice president
CCC Information Services Inc.*

Reorganizing to Meet the Market

From one CCC product manager's perspective, there was a lot to be gained by revamping both the organization and its processes. "When you are organized one manager per product, essentially you have to be an expert in many different things," says Bruce Carrick, strategic product manager. "Previously, I spent considerable time in meetings with the development team, working through detailed technical issues. Frankly, I didn't have time for that; nor was it where I contribute the most value to our business. As CCC expanded to more and more products, we realized something had to change."

After reviewing various best practices frameworks, that change came in the form of Pragmatic Marketing® and its strategic product management courses. "We chose Pragmatic because they are targeted at the technology community, and they had stellar references. Through the interviewing process, we discovered their instructors have a true understanding of what we were dealing

with. They have 'been there and done that,' so we felt they could help us see a path forward," Dickens explains.

Just two months after completing the Practical Product Management™ course, Dickens reorganized the company's product management organization around Pragmatic's proven triad: technical product managers, product marketing managers, and strategic product managers. Each team now supports multiple products, and each member's role is clearly defined.

According to Carrick, this approach enables maximum results, "Now, I can focus my efforts where they will be most effective. On the development side, our role is now understandable to them, and our collaboration process is well defined. We keep our hands off what we should, and they have a much better understanding of what the market really needs. As a result, they don't build anything that we don't ask for, and we spend less time changing things mid-course and wreaking havoc with expenses and delivery dates."

Right Product. Right Time. Right Price.

Once the new product management process was in place, the CCC team realized they needed to spend a lot more time out visiting the customers. "Where we do deep customer problem research, we are seeing definite success," says Carrick. "A prime example is our new CCC Connect™ product, which was recently released to market and hit the breakeven mark after less than six months."

Dickens shares his perspective about the value of basing decisions on market facts, "To capture a window of opportunity, we were pushing to bring this product to market quickly. My initial thought was to launch it based on an existing piece of technology and at a low price point in hopes of creating rapid customer adoption. Bruce, however, stuck to the Pragmatic approach and did the market research. As a result, he discovered two very important things: the right technology and the right price."



Case Study

Carrick adds, "In the Pragmatic course, we discovered the mantra: *Your opinion, while interesting, is irrelevant.* The only voice that matters is that of the market. After talking with customers, we realized that, while the existing technology would allow us to get to market faster, it would create considerable backend implementation and maintenance issues—driving our support costs up and our customer satisfaction down. We quickly realized customers would be willing to pay a fair price for a better technology that more easily solved their problems."

Dickens emphasizes a key point, "In the absence of market facts, it's usually the senior-most person in the organization who wins. But in this case, Bruce didn't bow down to executive pressure; he was a messenger for the market. He said, 'I've done the research. I've been out and seen the customers. They need better technology, and they are going to buy it at this price.' There's simply no argument for that. The market is your hammer for getting the right thing done. If we have that information, it empowers the product manager to be a product manager."

Carrick adds, "We held true to the Pragmatic protocol. And CCC Connect has turned out to be a product hit. Simply put, we released the right product, at the right time, and at the right price. We really did have a flawless launch."

Building the Product Slate

CCC is now applying the product management methodology to plan its attack on the market well into the future. "As we grow, we absolutely need a market-driven discipline that allows us to expand into new segments of existing markets as well as to enter new markets," says Dickens, "And because we have stiff competition in all the markets we serve, we *better* be market-driven."

He adds, "We're using the Pragmatic Marketing approach to develop a rolling Product Slate. We work with the entire organization to understand what launches we will be bringing to the marketplace a year out. So we can structure our development efforts, our organizational readiness efforts, and our investments by priority across product lines and product portfolios."

Because we have this Pragmatic approach, we also build a business case and a positioning document *before* each product goes on the slate."

"Pragmatic has helped us instill solid guidelines for product planning and management that are truly practical," Carrick emphasizes. "It's not an esoteric type of methodology. It's a straightforward process that's easy for people to understand, yet sophisticated. And it's based on real-world experience."

Improving the Batting Average

Overall, Dickens and his team have a key indicator of the success of their efforts: an improved batting average for new product introductions. "With the four products we've introduced to the marketplace since adopting Pragmatic, our batting average is 1,000. For each of them, we had a key customer or customers signed up prior to even writing the code. That's all because of our Pragmatic approach."

The product management team at CCC believes these results stem from creating a complete culture and organizational shift to adopt this market-driven methodology. Dickens' words of advice? "Don't take the seminar unless you are going to embrace it wholeheartedly. We implemented the approach 'as is.' We decided since we were ad hoc and inconsistent, we would execute it straight according to the book. We had an executive session with senior management to gain acceptance and adoption throughout the organization. And every new employee in my group goes to a Pragmatic Marketing class, because we want them to understand how we do our business here."

Dickens is so committed to this approach that he actually painted what's come to be known as the Pragmatic grid on his office wall. "I want the entire organization to understand that I am a believer. The grid clearly shows everything we need to do for effective product management. When I meet with people in my office, they understand we are serious about Pragmatic Marketing."

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