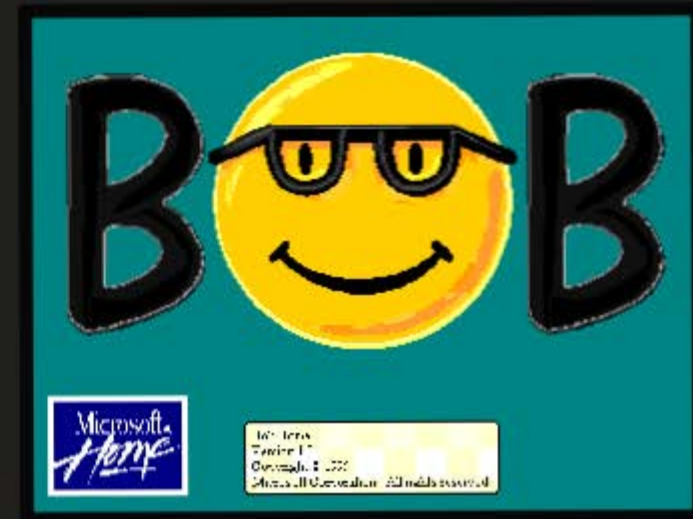


# What's In the Next Release? Ask The CRM



# Ask The CRM – Agenda

- **The Product Management Challenge**
- **Feature Futures**
- **Customer Usage**
- **What's Getting in the Way?**

# Today's Haiku

**The Big Marketing  
Problems are not Marketing  
Problems: Look Elsewhere**

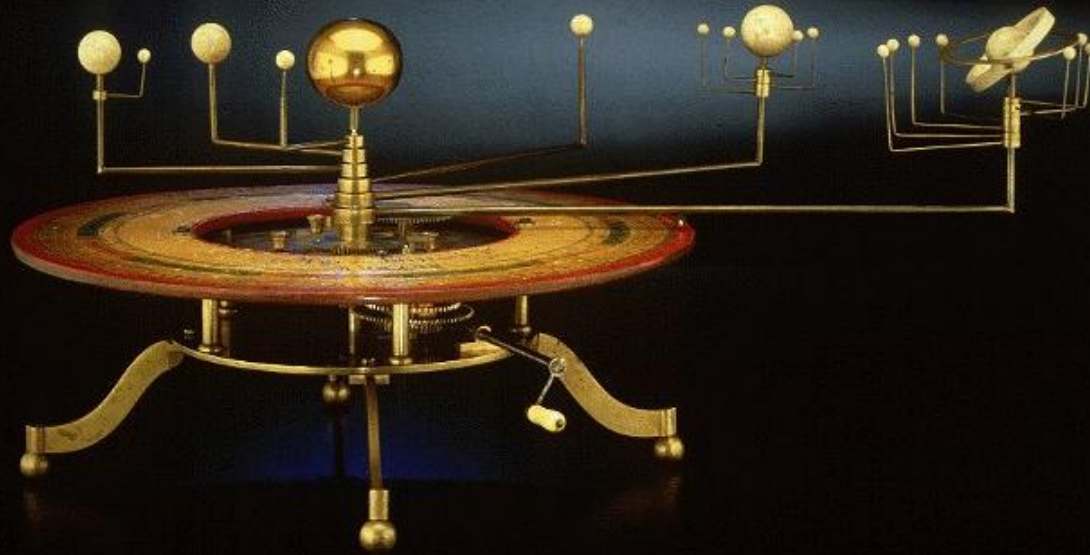
# Who is David Taber?

- 25 years in Information Technology



- **Virtually a**
  - Finance, Technology, and other industries
- **MBA, BA from**
  - Lecturer, UC Berkeley
- **Now a CRM Manager**
  - Startups through \$5B in sales

# The Newtonian Model of Product Development



- **Product design is an inbound process**
- **Product Marketing influences engineers**
  - Engages prospective buyers
  - Makes mid-course corrections
  - Tweaks messages to fit product reality

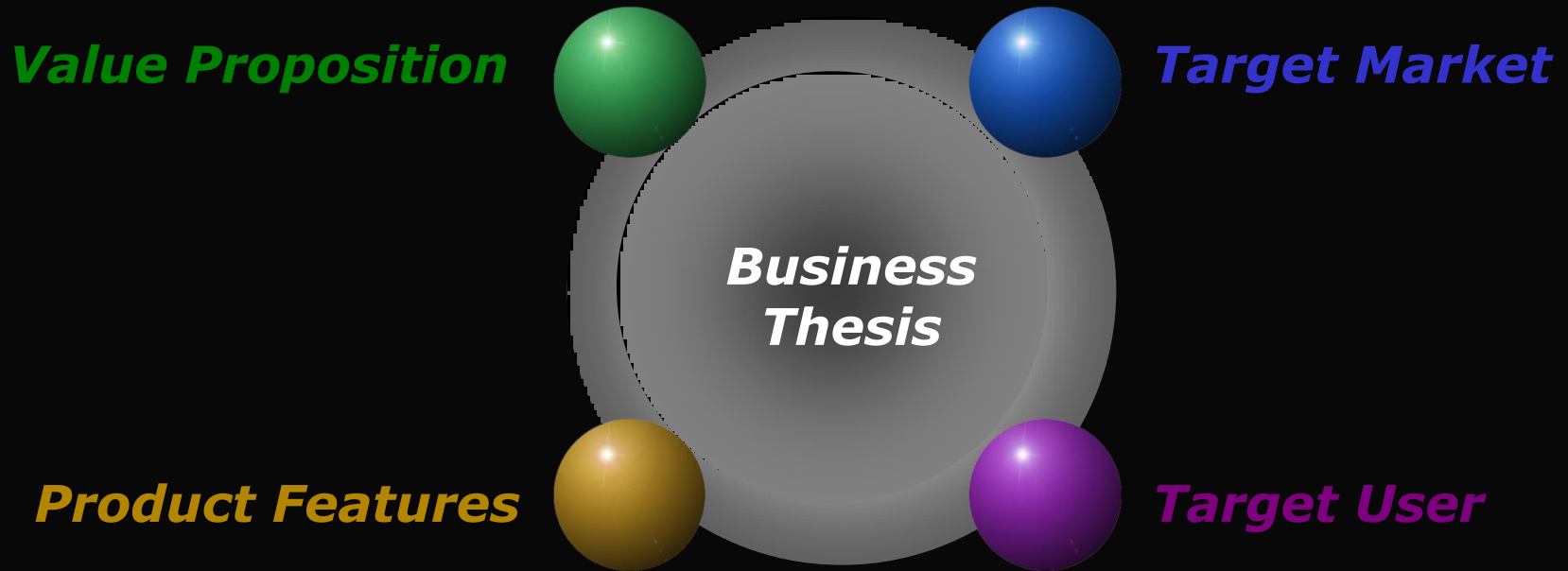
# Problems with the Newtonian Model

- **Engineers design for themselves**
  - “Stupid customers”
- **Sales overly focused on the last lost deal**
- **Marketers write requirements tomes**
  - Nobody follows most of the Great Ideas
- **Customers *don't know what they need***
  - Often follow ideas put in their heads by your competitor
  - Suffering from future shock (undigested shifts)
  - They don't *care* the way you do...
- **Defendable, objective data?????**

# Infinite Loop / Simultaneous Equation



# Resolving the Infinite Loop



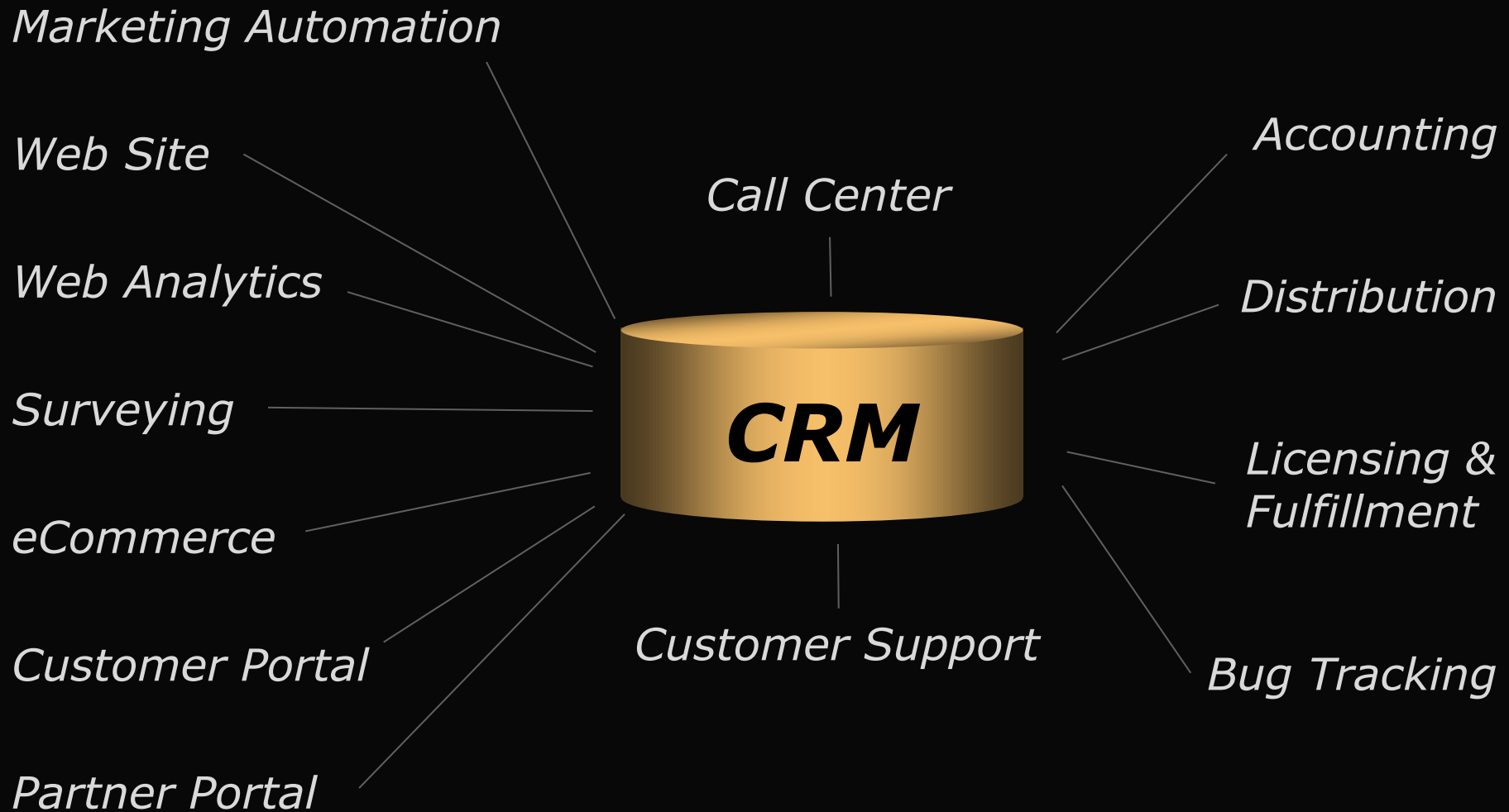


# What's a CRM?

- **Customer Relationship Management =**
  - Sales Force Automation
  - Call Center Automation?
  - Customer Support?



# Where does a CRM Fit?



# Watch Out!

- **If you're a small company**
  - The CRM hasn't been integrated with anything else
  - There isn't a good way to correlate the data
  - Probably...it's an Access/MySQL party!
- **If you're a BIG company**
  - There will be **multiple** CRMs, ERPs, CCAs, etc.
  - The integrations will be fragmentary, partitioned
  - Probably...it's off to the Data Warehouse!
- **Either way: get good at data reduction & analysis!**

# Booby Traps

- **Politically-gamed Sales input**
- **Blurred semantics**
- **Self-selection bias**
- **Narrow populations**
- **Social networks → Insta-mobs**

**“The Wisdom of Crowds” does *not apply*  
to most internet communities**

# CRM Data You Can Often Ignore

- **Lead Source**
- **Purchase intention scores/qualifiers**
- **Competitors**
- **Win/Loss Reasons**
- **Contact Roles (political map)**
- **Customer Configurations**

# CRM Hidden Gems for Feature Input

- **Customer Service**
  - Cases & RMAs
  - CS auto-surveys
  - Professional Services RFI/RFP/SOW/commentary
- **Sales**
  - Pre-Sales engineer commentary
  - Approval forms (e.g., loaners, POCs, etc.)
- **Email threads**
- **Forum / Discussion Board threads**
- **Marketing automation cookie crumbs**
- **Assets / License Mgt / Fulfillment**
- **“Ideas” and feature votes**

# The CRM Maturity Model™

- All “meaningful” calls/contacts in the system
- Every sale and renewal is in the system
- Every sale has product line items
- # of Internal Systems Integrated (e.g., email)
- # of External Systems Integrated (e.g., Marketo)
- “All” bookings forecasts based only on CRM data
- A Deduping Tool/Service is in use
- Reps and SEs see CRM as *their* key info resource
- Customer support logs Cases in system
- ProSvcs puts every project in the system

1/2
1/2
3
1
1/2
✓

***A good score is 8 or above***

# "But Dave..."

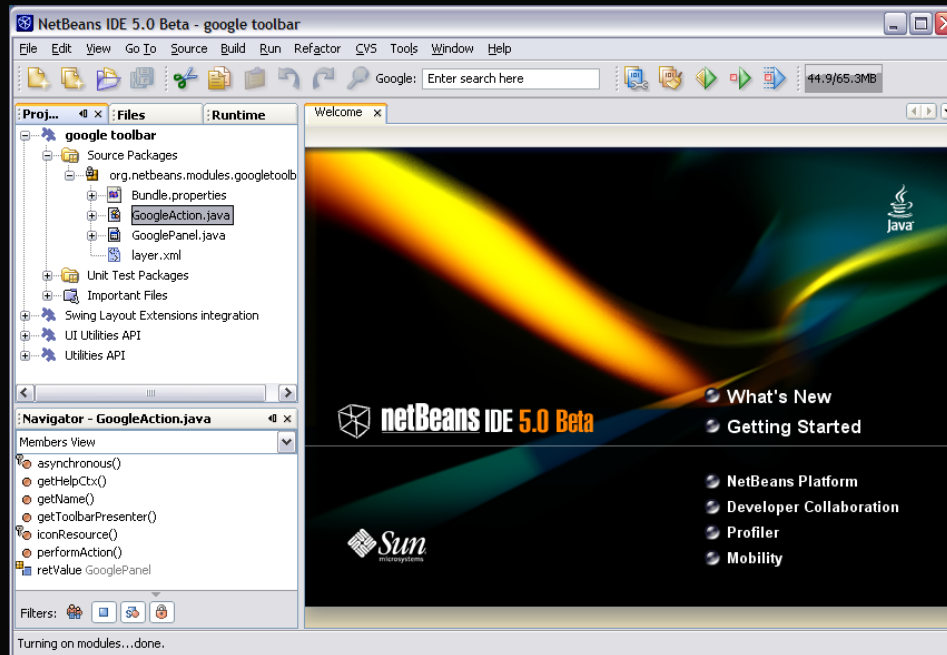
- **Why doesn't all this just get done in a data warehouse?**
  - In some organizations, that's exactly where all this data should be living
  - But the data isn't likely to be properly organized, summarized, or meaningful for your purposes
  - So get a budget of \$XX,000 and wait in line
- **If you don't have a data warehouse yet**
  - Get a budget of \$XXX,000 and wait in line
  - In the immortal words of *Dr. Phil...*



# Nirvana

- **Link the CRM system *to the product***
- **Collect extracts from real usage data**
- **Eliminate survey (and surveyor) biases**

# Customer-Centered Product Design



- **Develop and engage users as early and often as possible**
  - Wikis and forums and portals and blogs: community input
- **Customer interaction should be part of the UI**
  - Anonymous “call home” usage stats
  - Auto-update driven announcements and invitations to portal, voting, etc.
  - Explicit “conversation” via IM

# Customer Engagement in “Enterprise Software”

- **“Call home” model**

- Appliances



- **Update + Security notices**

- Emails inviting follow-up
- Customer self service portal = opportunity!

- **Support and Consulting are your best touch points**

- Get these groups actively using your SFA / CRM system
- Integrate marketing survey questions into their normal way of doing business

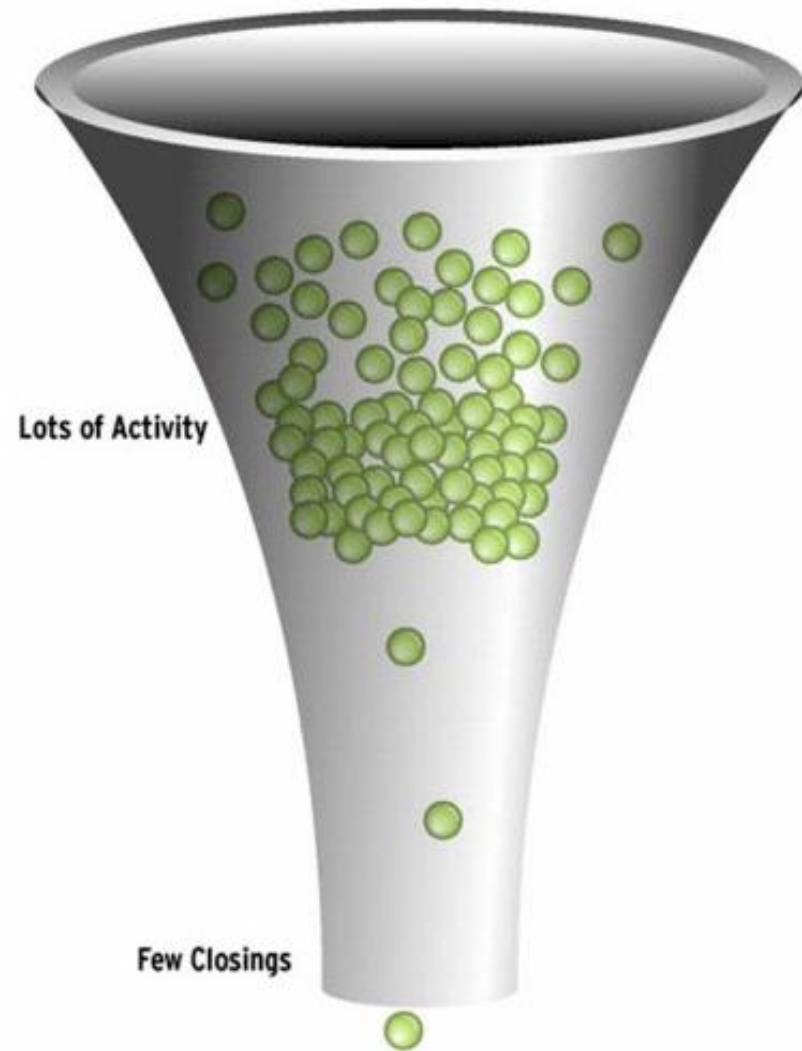
# SaaS = Warp Drive for User Interaction



- Who needs user surveys?
- You know the names and emails of every single user
- You can *measure* everything that current and prospective users do, at every session
- You know how every "demo" and "POC" is going in real time

# What if it's not a "feature deficit?"

- Is it product quality / reliability?
- Is it the message?
- Are we going after the right verticals?
- Is it the sales team?
- Are we targeting the *right customers?*



**Before you design your product,  
design your customer.**

*– Somebody Brilliant™*

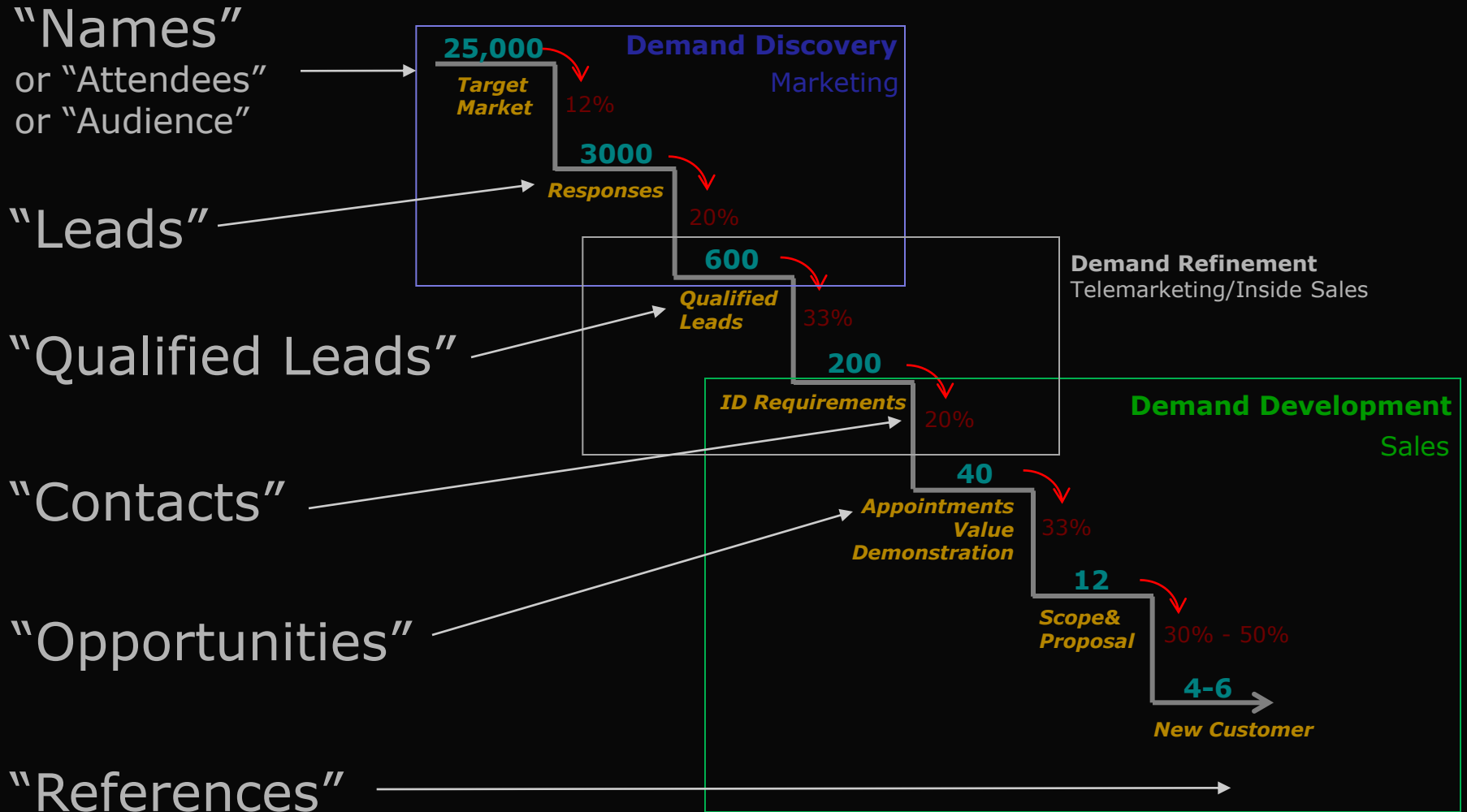


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Graphics courtesy PC Week

# Remember our Haiku?

- **Your “product problem” may not really be a product problem**
  - Positioning (messaging)
  - Pricing (including *pricing model*)
  - Place (channel)
  - Performance (including quality and reliability)
- **First, look at OOB**
  - You can never make a product too easy to use
- **Then, look at EOP**
  - You can never make a product too easy to *buy*

# The Classic B2B Pipeline ...



Source: Research work from Sirius Decisions and DOTnet Consulting

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# Analyzing Conversion Failures

- **Use CRM data to develop a model for the *real* pipeline**
  - Conversion percentages
  - Time in stage
  - Separate by product, vertical, and channel
- **Examine CRM data for diagnostics about the failures**
  - Forget about Sales' win/loss reasons
  - Look for correlations, serial patterns
  - Survey customers *immediately* upon failure
    - ❖ Make sure the surveyor isn't biasing the answers

# Sometimes it's the simplest stuff...



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# Make it *Really Easy* for Customers to Connect the Dots

- **Remove customer speed-bumps**
  - Unnecessary steps
  - Things that could be automated, streamlined
  - *Anything* that engenders purchase delay
- **Change the rules!**
  - Contractual complexity
  - Weird / paranoid business rules
- **Make purchasing *pleasant***
  - Conversations, not adversarial negotiations
  - Be *that much easier* than your competitor

# Your Take-Aways

- **The way to win in product planning is to have solid, objective data**
- **The most defensible, attractive data is from real customers**
  - Existing customers are more profitable than new ones
  - (But you can never ignore new customer wins)
  - The CRM system can be your private gold mine
- **The problem: integration and validity of data**
  - Get good at statistical methods and analysis
- **In this case, the sizzle *is* the steak**
  - Customers begging for new features should trump everything else

# Thank You!

**dTaber@SalesLogistix.com**

[www.taberconsulting.com/download/archives.htm](http://www.taberconsulting.com/download/archives.htm)

**650-326-2626**

# Product Features

- Focus on this LAST
- Develop Iteratively
  - ❖ Think Agile Development / eXtreme Programming
  - ❖ Talk with prospects, but don't take them literally
- Do **not** focus on feature lists / competitive parity
  - ❖ If you chase the bad guys on their own terms, you will always be behind
- Do **not** focus on the “how”
  - ❖ Better to focus on the “what”
  - ❖ Even better to focus on the “who, when...”
  - ❖ Best to focus on the “why”

# Product Features

- Instead, develop a coherent thesis
  - ❖ The core: your theory about what the customer values most
    - “Our product is best in the world at doing X for users who need to do Y inside customer Z.”
  - ❖ Use your thesis to keep scope focused
  - ❖ Do a few things exquisitely well
- Version 1.0 will inevitably be incomplete, but it must ***not*** be fragmentary
  - ❖ Does enough of the job to show value
  - ❖ It can ***never*** be too easy to use

# Look Beyond Product Features

## ➤ Product boundary

- ❖ Will the customer think of your 5 line-items as one product?
- ❖ Will they think of your one product as 3 things bundled?
- ❖ Will customers need other stuff to make your product usable?
- ❖ Product boundary determines the scope of competitors & substitutes

## ➤ Pricing and licensing

- ❖ Pricing (and licensing) *model*
- ❖ Price points
- ❖ Discounts, bundles, and allowances

## ➤ Packaging and OOB

- ❖ How is the product delivered and installed?
- ❖ What is the initial user experience?



# The Best MRD...

- **Write a 2-page press release for the product before the team begins**
  - What's the opening gambit?
  - Who gets quoted and what do they say?
  - Who is the channel selling to?
  - What are the visible benefits, and for whom?
  - What's the pricing, packaging, and distribution?
- **And have a Wiki for a dynamic view of the product details**