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AIPMM MEMBERS SHARE SUCCESSES AND CHALLENGES

INCORPORATING CUSTOMER FEEDBACK AND MARKET DATA INTO PRODUCT DEVELOPMENT

INTERVIEW WITH MIKE MARFISE, VP PRODUCT OPERATIONS, ACCEPT SOFTWARE

QUICK TIPS FOR SUCCESSFUL PRODUCT DEVELOPMENT

- Talk to your customer often and understand their problems
- Develop solutions and products that solve problems
- Have a formal process and system for generating, capturing, and using customer input
- Understand your market and competition; incorporate this analysis into your decision process
- Make decisions based on value and understand the drivers to generating revenue and profitability
- Link products to business strategy
- Understand the alternatives and impacts of your decisions
- Prioritize requirements and make product decisions based on real data

Mike Marfise, VP of Product Operations at Accept Software, has been in high tech since 1990, back when there really was no role of product manager in high tech companies. He went from engineer to product manager because he saw a need for customer-driven applications. Hear hear! Mike's story includes some lessons as well as good reminders to all of us in product management.

Don't Code For Code's Sake

Mike majored in business and computer science and started his career developing software products. But, he quickly started talking to customers about why he was building what he was building so that he wouldn't just be "coding for coding sake". He observed that his fellow engineers never saw the person they were developing for, never interacted with the customer. As Mike says, they were "separated from the source." He was working at an IT company listening to customers when he decided he didn't want to code, he wanted to understand business problems and customers. And thus, another great product manager was born.

Finding Product Management Tools

Mike has been with Accept Software since August 2005. He was brought in early in the company's history, to formalize the product management function. What brought him to Accept? Interestingly enough, it was the search for a useful product management tool. In his early career, Mike had to educate people on the function of product management and the value it brings to the development process. At the same time he was educating himself on how to do the job better. As a result, he tried to implement tools to help him and his fellow product managers, but found many of the tools were not effective. It was in looking for a tool and a methodology that he came across Accept Software. Mike says that the Accept 360° product is more than just a tool, it is the first "intelligent" application designed for Product Managers. In Mike's search, it was the first product he found that truly integrates the front end of the product development and product management process, allowing him to use market data and apply it to his decision process. When you look for product management products, consider ones that not only serve

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as a database to organize requirements, but also integrate decision making and analysis. Look for tools and methodologies that tie products to markets, customers, and business strategies.

Listening To Customers

How did Accept create a product that drove one of its very users to want to come work for them? Back in 2002, the Accept founders were working in high tech and observing, as Mike had in his own jobs, a lot of disconnect between customers and products. They had some ideas on solving that problem, but spent the first year calling all of their contacts and asking them about their unique challenges. The result?—a product that was built by 100s of end-users and ultimately deemed incredibly useful by their target audience.

Practicing What They Preach

The Accept 360° application itself is all about listening to the customer and applying business intelligence and data to developing new products. So, the founders decided to practice just that. They decided to utilize their own product in their own product development efforts. The small team took the requirements they had gathered from their customer research, loaded all of their market data, and used that information to build out Accept 360°. Today, the internal Accept system still has the input from the initial customers—all the requirements, the notes, the alpha version, what features made it into the first release, the first instance of code and what it did, all of it. When Mike came into his role as VP of Product Operations he was handed all the data as well as a log of suggestions and ideas—a product manager's dream!

Remember, You are Not The Customer

Like any good product management professional, when Mike started at Accept, he spent time sifting through the market and requirements data, understanding customers, understanding priorities, and formulating a vision for what the product could look like. With information at his fingertips, he was able to analyze the impacts to real customers with real data. He was able to take himself out of the equation, which is hard to do when you are also a super user. He has the ability to walk down the hall and say, “do this” to the developers, but stops himself from doing that by using data to validate the market and the customer need. He uses his tool to do what product managers should do—view the consistency across what customers want before making product decisions.

Generating Ideas From Customers

The trick in practicing voice of the customer is to keep generating ideas and input from the customers, not just get feedback on the first release. Mike and his team use a lot of different ways to capture continuous feedback from the customer. The primary thing that they do is gather ideas directly from the customer into a database. The Accept application has a self-service idea portal where customers can submit suggestions and ideas. The system allows customers to look at ideas from other customers and indicate whether a particular feature is important to them. This generates not only a sense of community and sharing amongst users, but also leverages the customer touch point to generate feedback on features that have been logged in the past. And, customers can log in to

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track and view what happened with their idea, reinforcing their participation by demonstrating that they are being heard. The Accept team also gathers input from their customers when they are out implementing a solution or making sales calls. The implementation and sales teams can enter ideas they hear on their engagements and prospecting meetings directly into the system. The sales team can also indicate the value of a specific idea or feature. “If you build in x feature(s), I can close y deal.” The company has also built an online forum for customers to communicate with each other and they hold focus groups and summits where customers can communicate ideas.

Linking Decisions to Strategy

The key to good product development is building the right features in the right product at the right time. Regardless of your organization size, or the size of your customer base, you need to understand why you are making decisions and how to get the biggest bang in the market to satisfy customers, beat the competition, and generate sales and profit. Making sure that product decisions are linked to strategy can help you do just that.

- Develop your strategy up front
- Link your product strategy to the corporate strategy by developing a product strategy that satisfies and delivers on the corporate focus
- Align requirements with the product strategy by scoring requirements on how well they relate to the strategy and assigning a weighted value
- Prioritize requirements based on real data and an analytical process

So, what’s the moral of the story? Regardless of the tool you use to support your efforts—you need to talk to your customer, understand your market, link products to business strategy, prioritize requirements, and understand alternatives and impacts of decisions. If you do that, ultimately you’ll deliver a product your customers love that generates a profit for the business. And, when the CEO runs out of a meeting and says, “develop this”, you can say, “ok, but here is the impact of that decision to our objectives and strategy.” Or, better yet, “no, because it’s not what our customers want.” ■

Want to Share Your Story?

If you want to share your success or challenges with other AIPMM members, contact Therese Padilla at therese@aipmm.com.

Interview and article by Noël Adams, President, Phase Forward—www.phaseforward.net. Phase Forward is a product management and product marketing firm in San Francisco that helps companies build and launch new products. Projects range from new product research and market analysis to writing product requirements to outbound product marketing and product launch. Phase Forward team members also deliver workshops on a variety of new product topics like innovation and process mapping for product launch.

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