



MIT Enterprise Forum Satellite Broadcast



Winning in the Marketplace

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Winning Is Seeing Opportunities

- **“I Think There Is a World Market for About Five Computers”**
 - Thomas J. Watson, IBM Chairman, 1943

- **“There Is No Reason for Any Individual to Have a Computer in Their Home”**
 - Ken Olsen, Digital Equipment Corporation President & CEO, 1977

- **“We Cannot Solve Problems With the Same Thinking We Used When We Created The Problems”**
 - Albert Einstein

MarketSoft Background

Our Mission

Help Companies Drive
New Revenue by
Connecting Marketing
Activity with Sales
Results

Financial Customers



Funding : \$70 Million



High Tech Customers



Business Problem Definition

- **State the Obvious Problem**
- **Value Proposition**
- **Market Size**
- **Customer Attractiveness**
 - **Sophistication?**
 - **Technology Savvy?**
 - **Early Adopters?**
 - **Power to Buy?**
- **Business Model**
 - **Revenue Potential?**
 - **Profit Potential?**
 - **Can You Scale?**

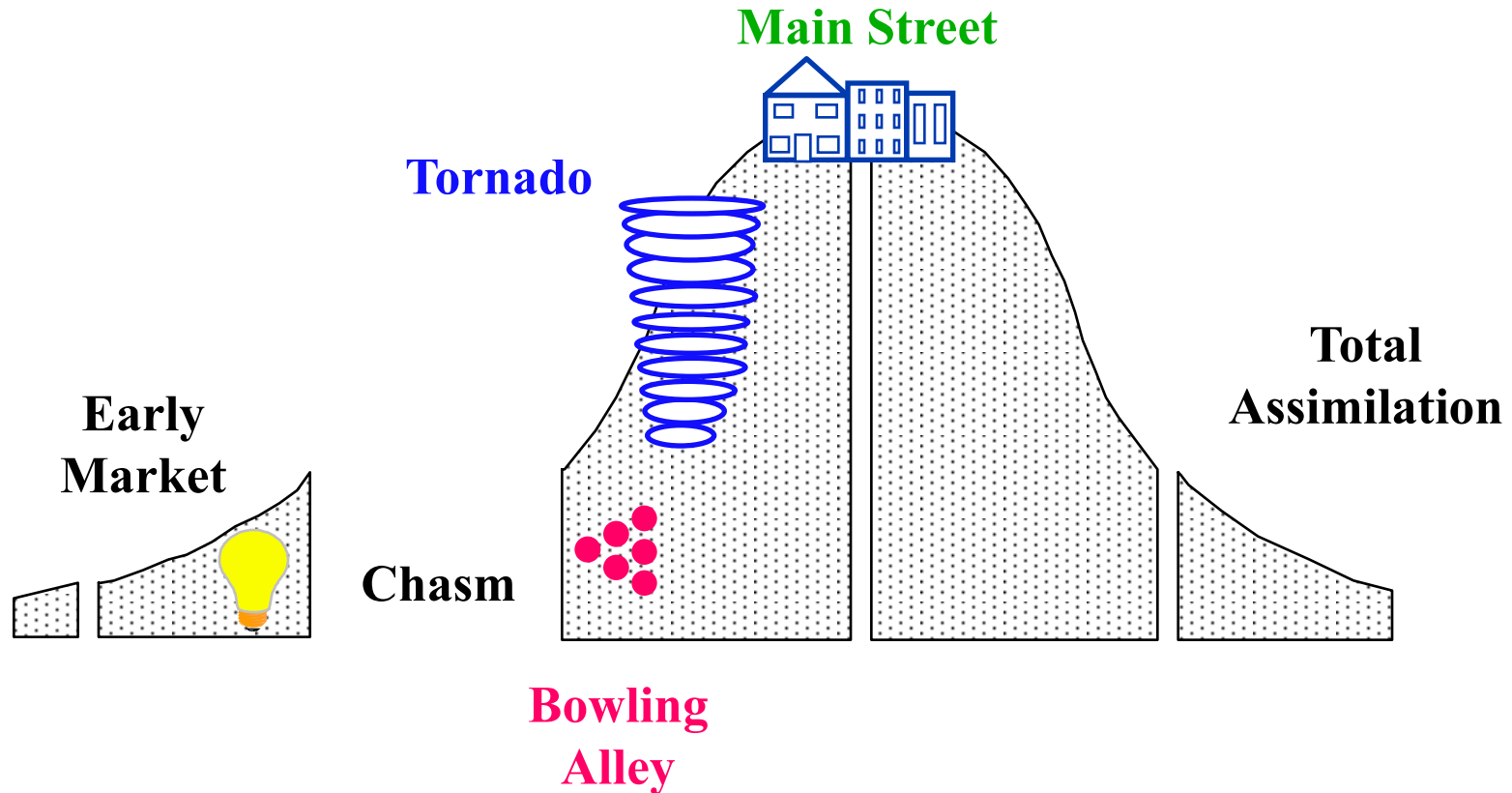


Examples:

- **Training Marketplace**
- + **MarketSoft Lead Management**

Product Strategy

Geoffrey Moore Market Development Model



Product Concept Definition

■ Focus on the Voice of the Customer

- Customer Requirements Gathering and Testing
 - Distilling & Crystallizing
 - Structured Customer Interviews
 - Questionnaires
 - Research Customer Programs
 - User Groups
 - Partners
-
- Customers Great at Describing Existing Pain Not Next Generation: TV Dinner Demand Soared Post-Microwave



Get Buy-In from Your Team

■ Language Processing (LP) Method*

- Tape Recording Customer Interviews
- Transcribing to Web and Requirements Database
- “KJ”* or “LP”* Diagrams (Affinity Flow Charts)

■ Product Requirements Document

- Establishes Common Understanding
- Recruiting New Team Members
- Research Customer Engagement Tool

■ Business Plan

- Financing and Investment Tool



* Harvard Business School MarketSoft Case Study by Joe Lassiter

MarketSoft LP Example

- **Began Planning Vertical Industry Solutions, 1/02**
 - **Interviewed 12 Customers to Create List of 20 Vertical Industry Solutions**
 - **Prioritized Based on Business Value, Market Attractiveness, Differentiation, and Sales Lead Pipeline Analysis**
 - **Selected “Cross Sell for Financial Services” to Test, 3/02**
- **Did 30 Customer Interviews for Cross Sell Solution, 4/02**
 - **Industries**
 - **72% Finance**
 - **20% Tech**
 - **8% Other (Pharmaceutical and Manufacturing)**
 - **Target Audience**
 - **85% Qualified Users**
 - **10% Current Customers**
 - **5% Prospects**
 - **Companies:**
 - **Teradyne, TIAA-CREF, NY Life, Marsh Insurance, TD Waterhouse, Merck Pharmaceuticals, NY Life, Union Bank, Hunter-Douglas, AMEX, Wells Fargo, BC/BS Oklahoma, RCN, AIG, Fleet, Microsoft, Polaroid,**

LP Interview Technique

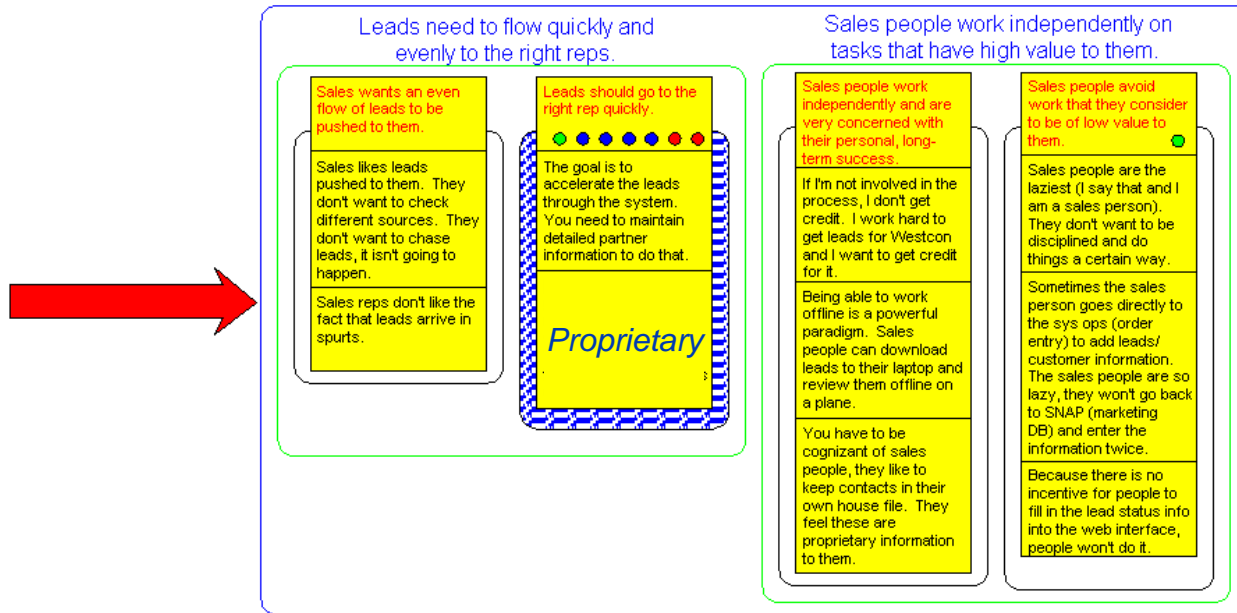
Methodology

- **Create ‘the Question’**
- **Define/Find Target Audience**
- **“Voice of the Customer” Interviews**
- **Generate Customer Quotations (300 Quotes)**
- **Synthesize the Information (30 Quotes)**
- **Cluster Quotes Using Objective Techniques**
- **Build Labels, Cluster, Repeat**
- **Create Hierarchy of Need**
- **Generate the Answer to the Question!**

Sample LP Diagram Section

Once leads are quickly delivered to the right reps,
the product must track lead disposition while
taking partner privacy into account.

Effective lead flow allows sales people the
autonomy they need to be productive.



Engineering Conference Room
8/13/98

Nancy Gilby	Charlie Evett
Greg Erman	Arthur Weinstein
John Mandel	Dave Tiu
Bob Hiss	Peter Fearey
Can Keskin	Mark Chandler

Develop Whole Product Solution

- **Translate Customer Problem into Solution**
 - “Customers Don’t Buy Nails, They Buy Holes in the Wall” – Theodore Levitt
 - Focused on One Vertical and One Business Problem
 - Multiple Products, Services, and Partnerships
- **Knock One Bowling Pin Down at a Time**
 - Put All Your Wood Behind One Arrow
- **MarketSoft Cross Sell Whole Product Solution Developed 5/02**
 - 3 Existing MarketSoft Products
 - 2 Major Product Extensions
 - 3 Strategic Partnerships
 - **Benefits**
 - Easier Penetration of C-Level Executives with More Relevant Messages
 - More Strategic Vendor
 - Bigger Average Selling Value
 - Deeper Solution More Differentiated
 - **Solution Public Launch 6/02: Process Took 5 Months from Beginning to End**

Build Unique Value

■ Product Differentiation

- “Better to be Different than to be Better” – Al Ries & Jack Trout
- First Mover Advantage

■ Barriers to Competitive Entry

- Technology Barriers (Patents)
- Customer Barriers (References)
- Partner Barriers (Channels)

Marketing the Solution

- Message Platform
- Launch
- Lead Generation
- Sales Readiness
- \$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$

