Technology Assessment
Where to invest your $'s

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About Pragmatic Marketing, Inc.

- Experts in technology product management and product marketing

- Specialize in training and consulting

- Since 1993, we have trained over 60,000 people at thousands of companies

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Pragmatic Marketing® Framework

A market-driven model for managing and marketing technology products

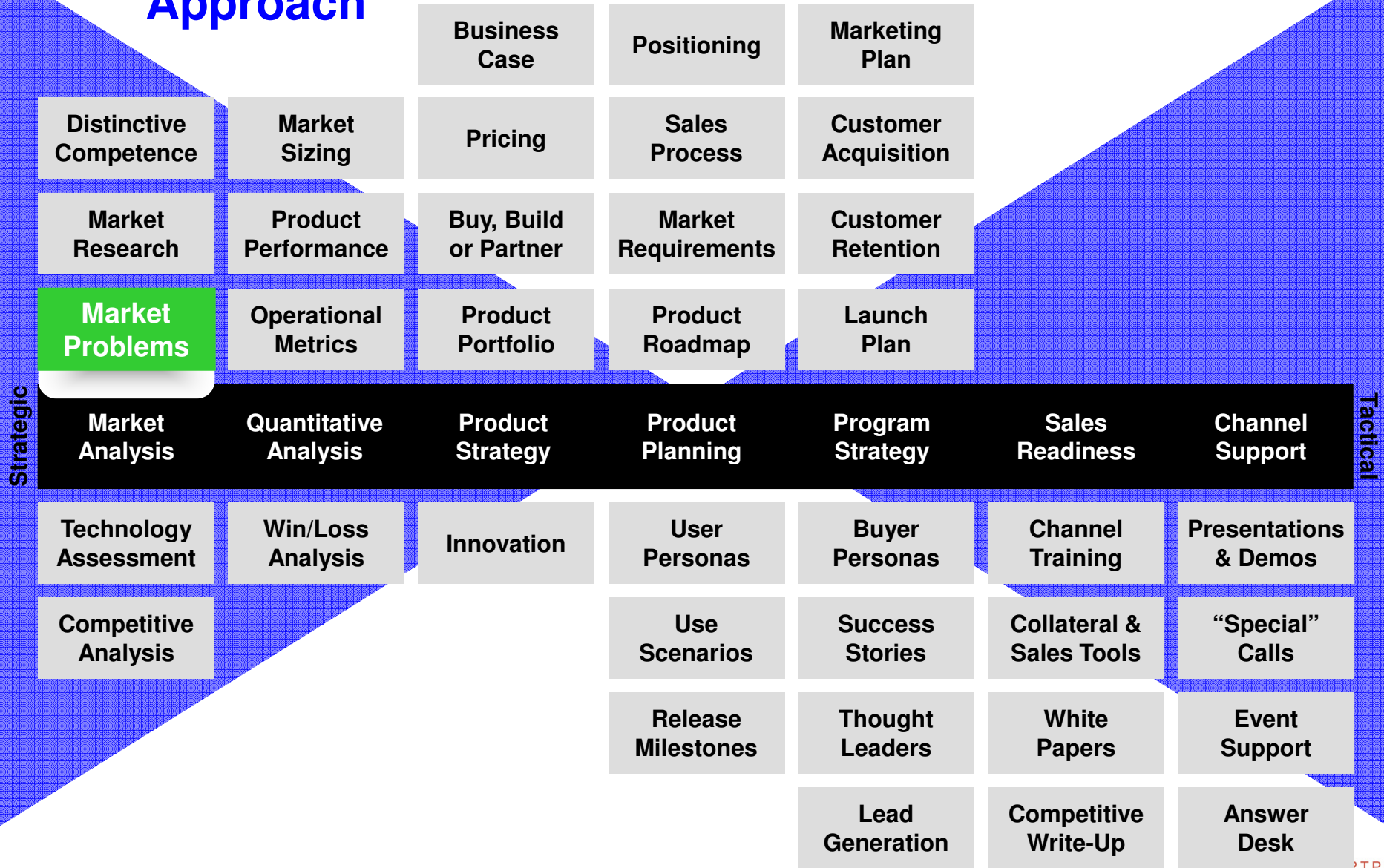|		**Strategic** →				**Tactical**
		Business Case	Positioning	Marketing Plan		
Distinctive Competence	Market Sizing	Pricing	Sales Process	Customer Acquisition		
Market Research	Product Performance	Buy, Build or Partner	Market Requirements	Customer Retention		
Market Problems	Operational Metrics	Product Portfolio	Product Roadmap	Launch Plan		
Market Analysis	**Quantitative Analysis**	**Product Strategy**	**Product Planning**	**Program Strategy**	**Sales Readiness**	**Channel Support**
Technology Assessment	Win/Loss Analysis	Innovation	User Personas	Buyer Personas	Channel Training	Presentations & Demos
Competitive Analysis			Use Scenarios	Success Stories	Collateral & Sales Tools	"Special" Calls
			Release Milestones	Thought Leaders	White Papers	Event Support
			Lead Generation	Competitive Write-Up	Answer Desk	

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Typical approach

Market Analysis	Quantitative Analysis	Product Strategy	Product Planning	Program Strategy	Sales Readiness	Channel Support
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Strategic — Tactical

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Preferred Approach

		Business Case	Positioning	Marketing Plan		
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Strategic — Tactical

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Maturity

Growth

Decline

Introduction

Chasm

Innovators   Early   Early & Late Majority   Laggards
              Adopters

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Relative Market Share
(Cash Generation)

Market Growth Rate (Cash Usage)

Build Market Share: Make further investments (for example, to maintain Star status, or turn a Question Mark into a Star)

Hold: Maintain the status quo (do nothing)

Harvest: Reduce the investment (enjoy positive cash flow and maximize profits from a Star or Cash Cow)

Divest: For example, get rid of the Dogs, and use the capital to invest in Stars and some Question Marks.

QuickMBA.com

Competitiveness is more about doing what customers value than doing what you think you're good at.

Clayton Christensen
The Innovator's Solution

The Innovator's Solution, Clayton Christensen

"Good Enough"

Function

Time
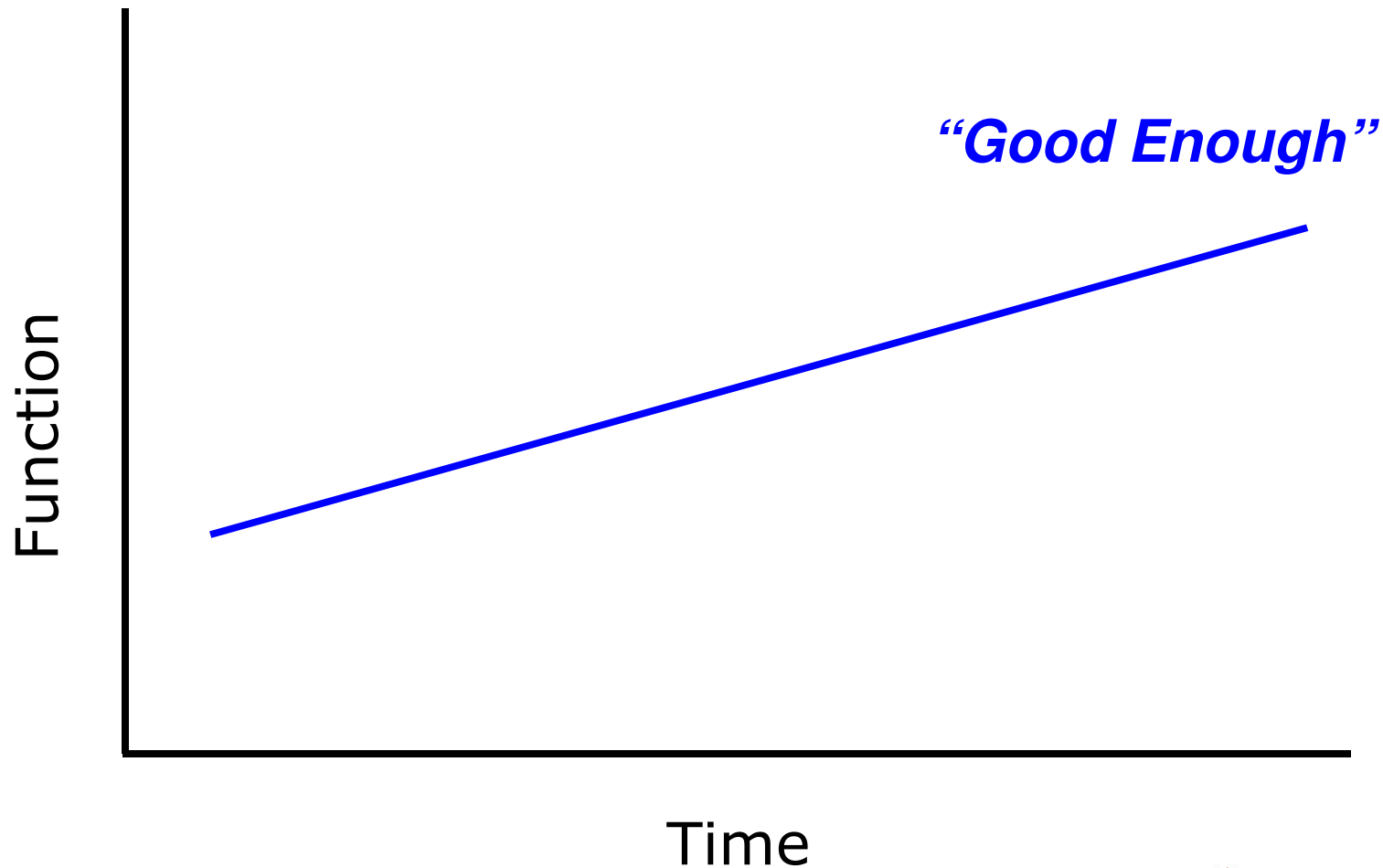
Innovation

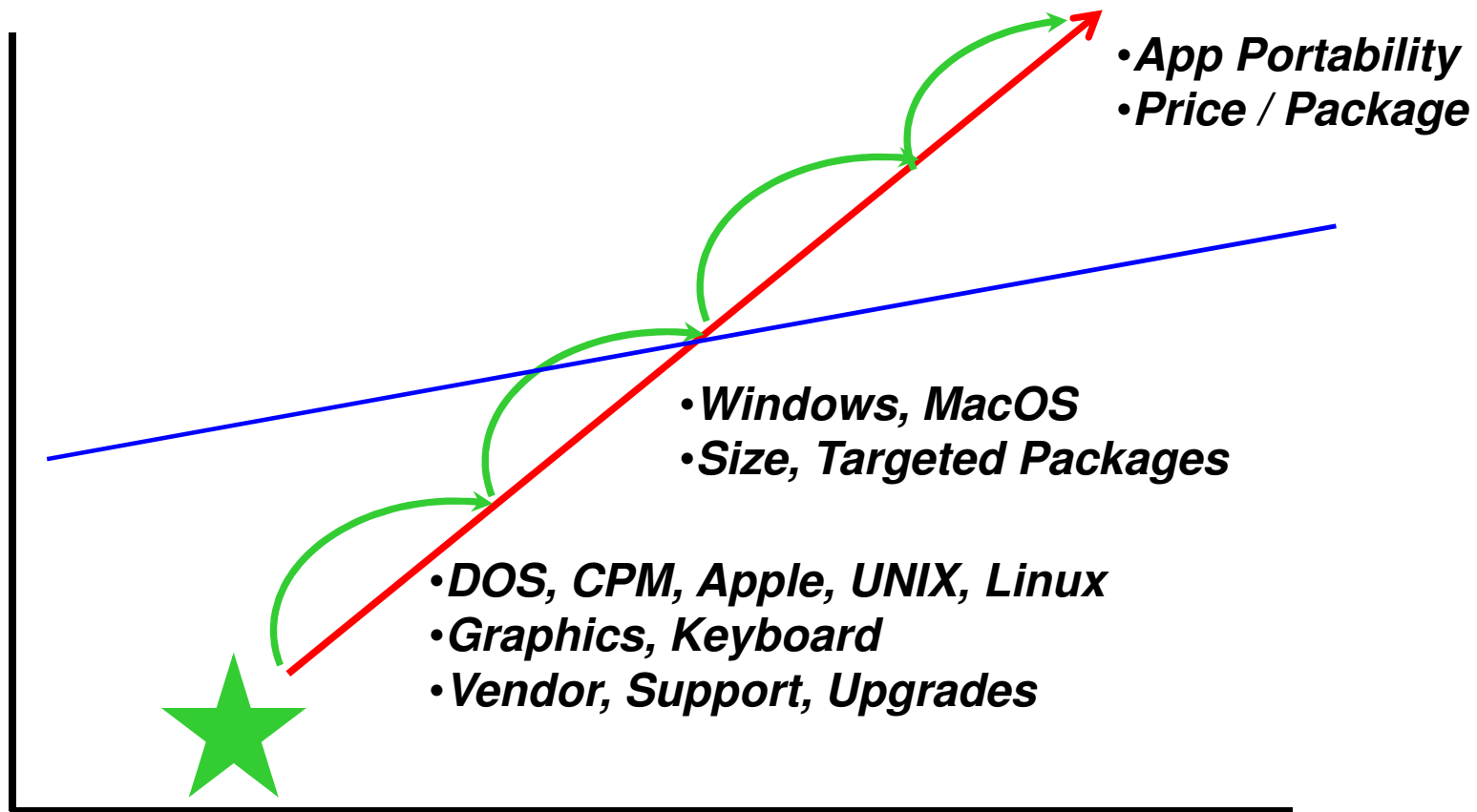# Investment Strategy

Function

Time

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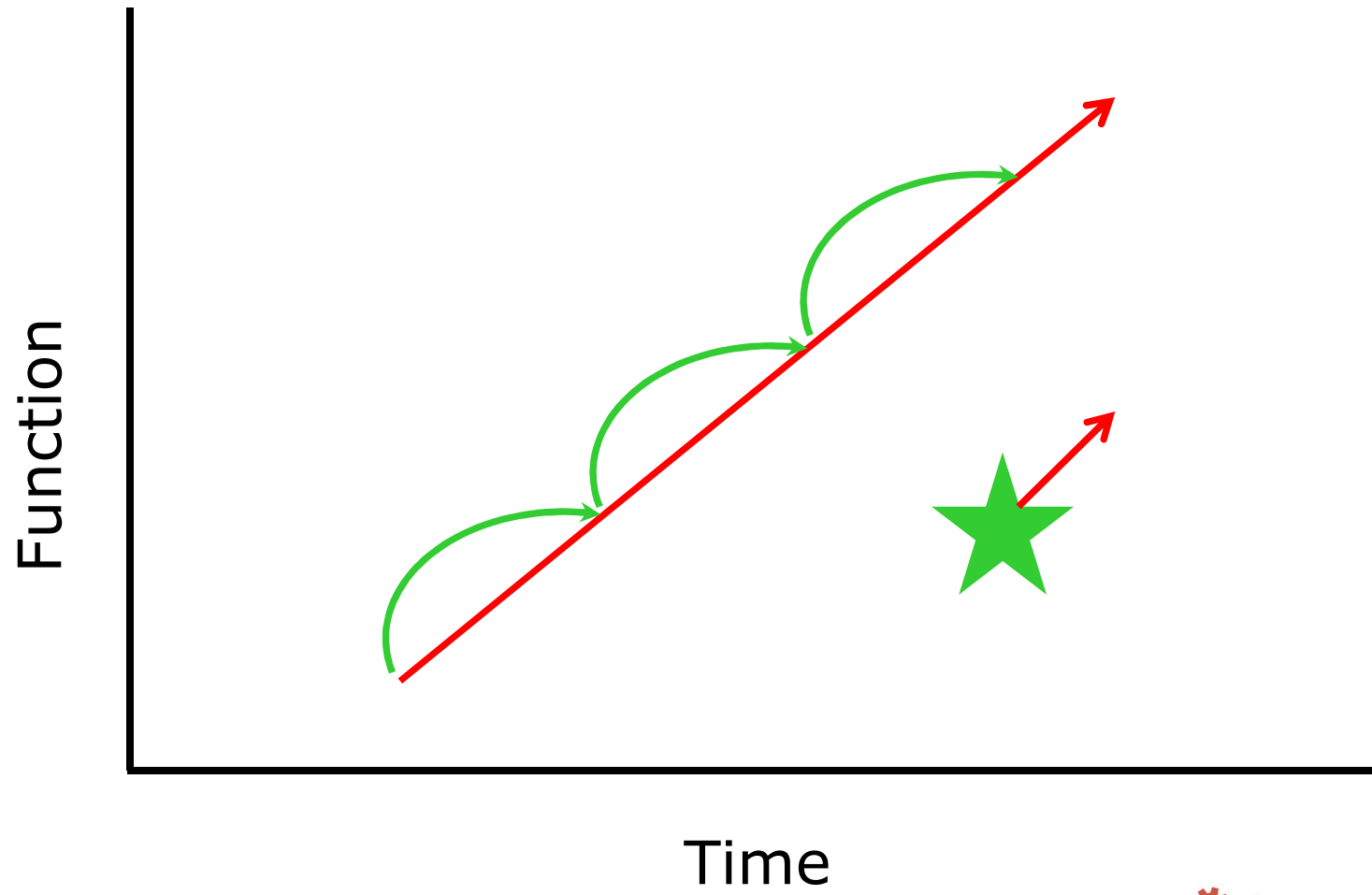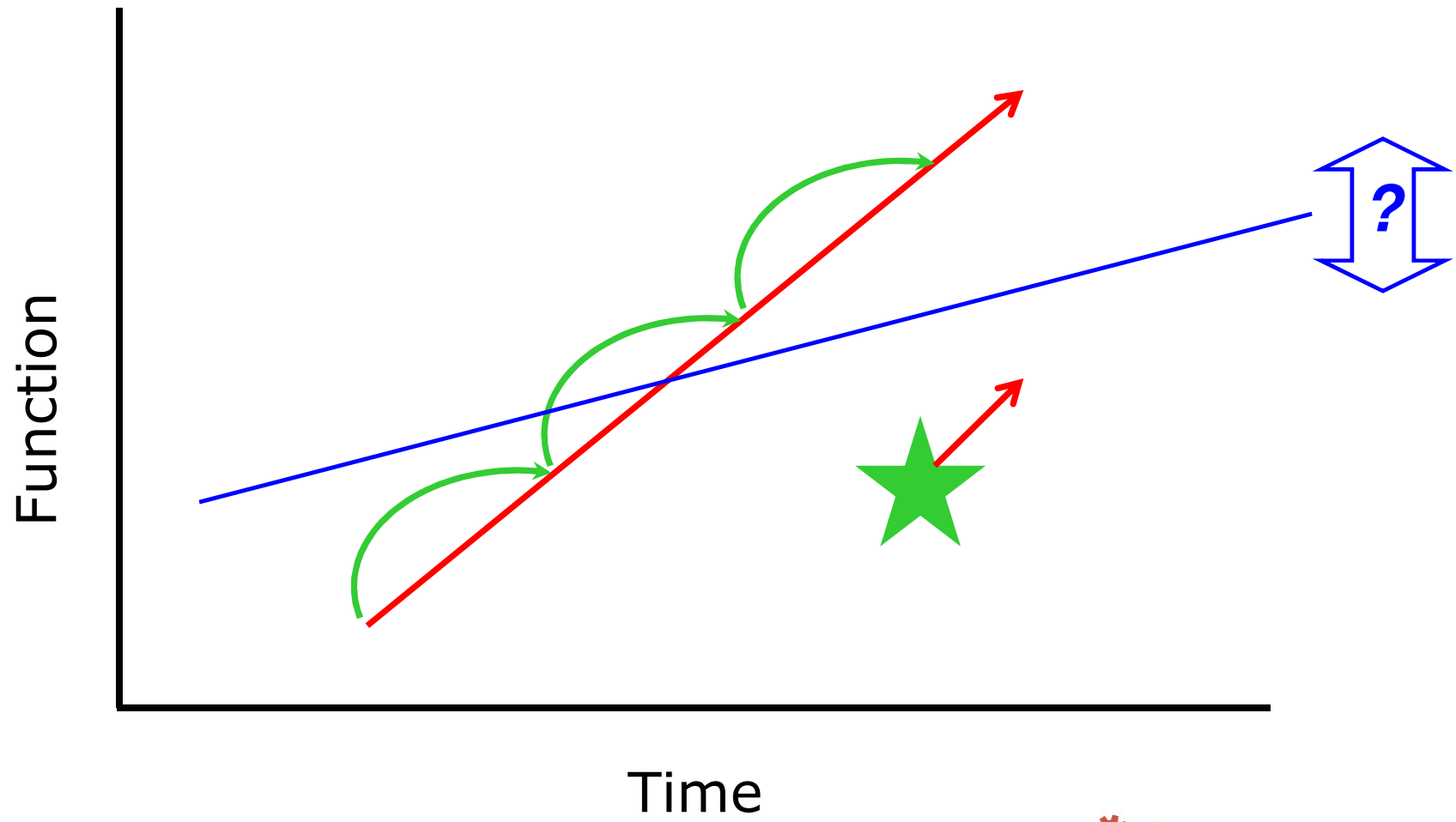
Successful Strategies

- Sustaining Innovation
- Standards
- Pluggable and Portable
- Channels
- "Component Provider"

                     - Disruptive Innovation
                     - Proprietary
                     - Vertical Integration
                     - Direct Sales
                     - "Total Solution"

Case Study – PC's

- *App Portability*
- *Price / Package*

- *Windows, MacOS*
- *Size, Targeted Packages*

- *DOS, CPM, Apple, UNIX, Linux*
- *Graphics, Keyboard*
- *Vendor, Support, Upgrades*

" 9 out of 10 products are introduced to fill a void in the company's product line, not to fill a void in the market. "
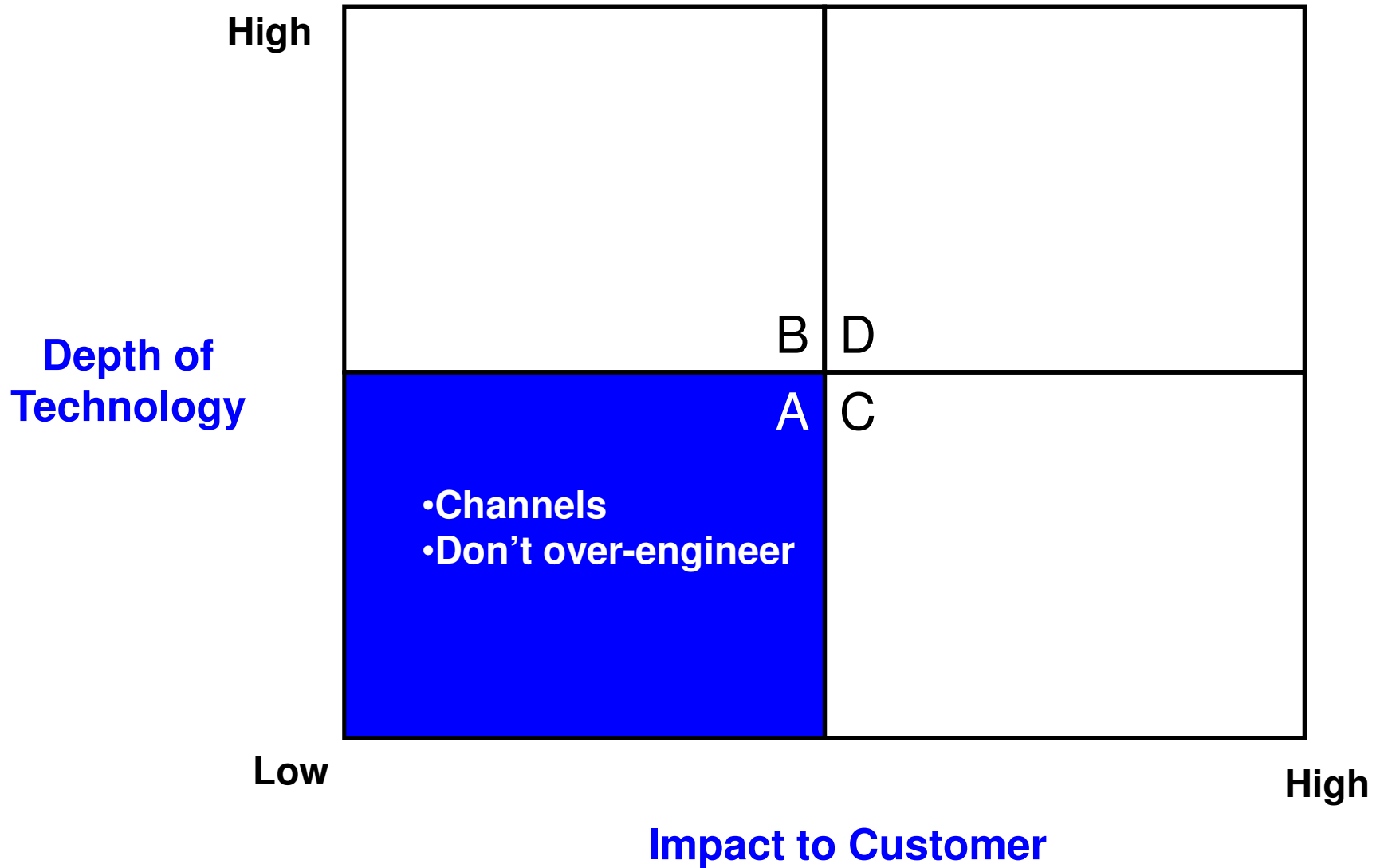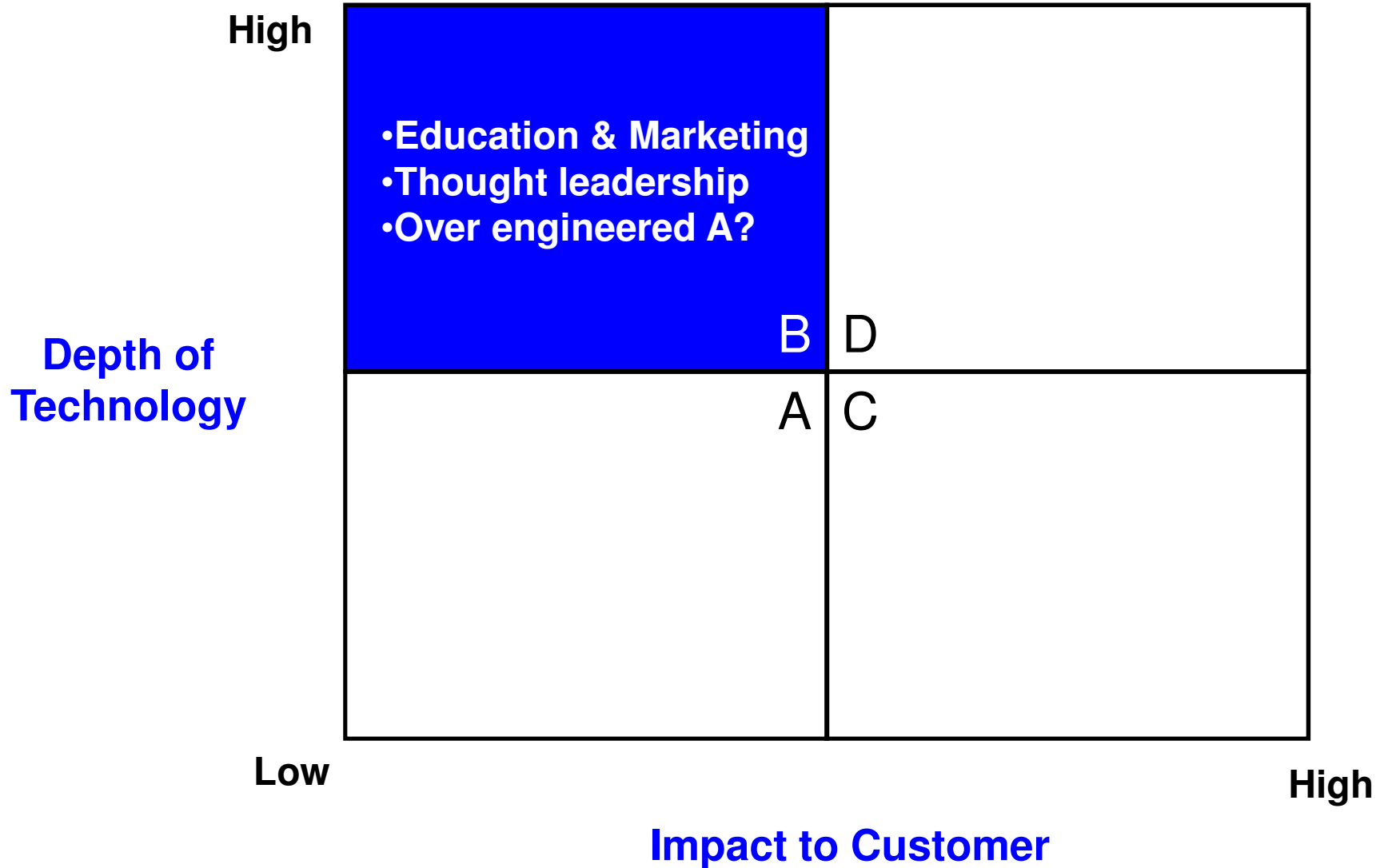
Ries and Trout

Technology product assessment

Depth of Technology (vertical axis: Low to High)

Impact to Customer (horizontal axis: Low to High)

Quadrant labels: B D (upper), A C (lower)

Technology product assessment

High

Depth of Technology

B | D

A | C

•Channels
•Don't over-engineer

Low

High

Impact to Customer

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Technology product assessment

High

•Education & Marketing
•Thought leadership
•Over engineered A?

B D

Depth of Technology

A C

Low

High

Impact to Customer

Technology product assessment

High

Depth of Technology

	B	D
	A	C

•Grow and protect
•Success stories
•Watch for competition

Low

High

Impact to Customer

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Technology product assessment

High

Depth of Technology

B | D

•Strategic vision
•Platform or architecture

A | C

Low

High

Impact to Customer

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Summary

- <u>Strategy</u> development should start from the *"left"*

- Understand your markets
  - ▶ Where do they perceive value?
  - ▶ Where should you apply innovation?
  - ▶ What is "good enough?"
  - ▶ What stage of the product or market lifecycle?

- Plot your products using the appropriate tool(s)
  - ▶ Within your portfolio
  - ▶ Against the competition

- Don't hesitate to use the word *"therefore"*

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