



## Extreme Product Makeover Secrets & Checklist How to Turn Your Dogs into Cash Cows

For those of you who wish to listen to the Extreme Product Makeover Teleseminar in MP3 streaming format, visit [www.aipmm.com/podcasts](http://www.aipmm.com/podcasts).

### Teleseminar Outline

- ✓ Introduction
- ✓ Who is Steve Rankel
- ✓ It's Not About the Product
- ✓ Root Causes of Underperforming Products & Product Teams
- ✓ Leadership: See the Vision, Be the Vision
- ✓ Focus on Your Team
- ✓ Tips on Managing Unruly Cross-Functional Teams
- ✓ The Process of Creating Your Extreme Product Makeover...
  - Find Your Fantastic 5
  - Build a Relationship with the VP of Sales
  - Find Your Killer App
  - Find the Killer Message
  - Differentiate & repackage if necessary
  - Train the salesforce
  - Use the feedback to create the next Product & Release
- ✓ For More Information

### It's Not About the Product

- ✓ A'la Lance Armstrong – it's not about the bike.
- ✓ We've never seen any product add 3, 5 or 10 new features and go from dog to cash cow.
- ✓ Ex: iPod vs. every other MP3 Player.

### Root Causes of Underperforming Products & Product Teams

In Almost Every Situation, I've Seen Some Combination of the Following

1. Lack of leadership (not necessarily intentional, technical expert but not a people person)
2. Lack of understanding of what the customer really wanted
3. Lack of desire to actually SHIP something that meets that need (Executives not willing to listen & spend)
4. Messaging not value-based, and not in customers' voice.
5. Salesforce not adequately trained with effective messaging.
6. Contention in the team. One or two rotten apples.

### Leadership: See the Vision, be the Vision.

- ✓ Confidence is key.
- ✓ A struggling team will look to you & your faith in the future.
- ✓ Communicate clearly your product vision: repeatedly.

**Focus on Your Product Team.**

- ✓ EVERY person and functional group that touches your product is your team.
- ✓ Representatives from Engineering, Service, Implementation, Tech Writers, QA, Marketing, Sales Training, Manufacturing, Beta Management, Customer Satisfaction / Customer Service, Product Management, Supply Chain, Finance.
- ✓ Contention within the team creates the same effect as rotten apples in the barrel.

**Tips on Managing Unruly Cross-Functional Teams**

- ✓ Have a set meeting at least 1x / week.
- ✓ Use the main meeting to track critical path items.
- ✓ Set people up for success: if you can avoid surprises in the meeting, do it (talk beforehand).
- ✓ See each other alive, before you eat each other alive.  
Ex. A lot of us have virtual / international teams.
  
- ✓ Celebrate victories.
- ✓ Cultivate personal relationships & really care about your folks: all things being equal, folks want to work for someone they like & respect MUCH more than someone they HAVE to work with.

## How to Create Your Own Product Makeover

- ✓ Find Your Fantastic 5
- ✓ Build a Relationship with the VP of Sales
- ✓ Find Your Killer App
- ✓ Find the Killer message
- ✓ Differentiate & Repackage if Necessary
- ✓ Train the salesforce
- ✓ Use the Feedback to Create the Next Product MRD & Release Plan

### 1. Find Your Fantastic 5

- ✓ They can sell anything
- ✓ Who are your fantastic 5 salespeople?
  
- Have you determined who your Fantastic 5 are?

### 2. Build A Relationship with The VP of Sales

- ✓ He's a corporate guy, as well as a sales guy
- ✓ He can speak to you honestly as well as understand real corporate constraints
- ✓ He may know a lot of what's wrong
- ✓ And the CEO is probably pushing him to sell more of your product
  
- Do you have a relationship with the VP of Sales?

### 3. Find Your Killer App.

Your IMMEDIATE goal is to:

- ✓ Find ONE core application that could be used by many customers.
- ✓ ...that is PROFITABLE.
- ✓ ...that YOUR SALESFORCE CAN SELL.
- ✓ ...that customers can swallow easily. (ASP, lease, etc)
- ✓ Very likely will have to change your pricing model.
- ✓ Break it up into bite-size chunks. (elephant, 1 bite...)
  
- What core application can be used by many customers?

#### Tips on How to Find your Killer App

- ✓ Buried in one of your customer's applications
- ✓ Ask the implementation team lead – they face the headaches
- ✓ Ask your sales engineer – Rob Prier
- ✓ Ask your Fantastic 5 – Dave Smith
- ✓ Ask the customers

## 4. Find the Killer Message: Get Inside You Customer's Heads Find 5 Reference Customers (in your base)

### They should:

1. Be Cooperative
2. Be Accessible
3. Have a decent amount of your product
4. Have name recognition
5. Owned by one of your Fantastic 5

Have you identified 5 great customers to speak with on the Killer App?

### Customer Interview Questions

1. What helped you decide to buy from us?
2. What did 'Sally Salesperson' say that moved you to sign?
3. What would you tell to another customer if they asked 'why should I buy this product.'
4. What has been a positive surprise in how the product has benefited you
5. What direct value, cost savings, productivity improvement or impact has our product had on your business?
6. May I quote you?

Have you documented the answers to your customer interviews and made them available to your salesforce?

## 5. Differentiate & Repackage If Necessary

- ✓ Now, Define Your Product By What the Customer Said
- ✓ Sell Holes, Not Shovels (think: impact!)
- ✓ Break Your Product Into Bite-Size Chunks
- ✓ Adjust the Pricing to Something the Customer Can Swallow
- ✓ Beg, Borrow or Steal 3 Points of Differentiation

### 3 Points of Differentiation

- ✓ What are '3 Points of Differentiation' ?
- ✓ Many competitors are trying to 'one-up' each other. Ever wonder where that term came from?
- ✓ 1 new feature or differentiator is not a competitive advantage.

### How to Find 3 Points of Differentiation

- ✓ How to do this without changing a single product feature
- ✓ Here's how:
- ✓ Go find your Fantastic 5. Ask them the same Q's.
- ✓ Take a ½ day away from the office. Ask yourself: what are the unique assets of your company?
  - Potential differentiators:
    - Brand
    - Legacy customers
    - Infrastructure
    - Partnerships
    - Proprietary technology
    - Killer messaging
    - Educated salesforce
    - Service
- ✓ Price is NOT a point of differentiation!

Have you identified the hidden differentiators that are NOT JUST PRODUCT? What are they?

## **6. Train the Salesforce.**

- ✓ Share the success stories.
- ✓ Share the new product 'messaging'
- ✓ 5 reference customers. Even 2 good ones work.
- ✓ Get out on the road.
- ✓ Work your Fantastic 5.
- ✓ Launch call
- ✓ 1-pager...

Have you trained your salesforce with the new messaging? Do they have new supporting materials and tools as well?

## **7. Make Product Mods / New Product Plans Using What You've Learned**

- ✓ Use what you've learned in the process
- ✓ Build your next MRD with it

Your last step, NOT YOUR FIRST, is to modify your MRD. What new features, or other intangibles, are you going to focus on next?

### **For More Help with Your Extreme Product Makeover**

For more resources on how to create an Extreme Product Makeover at your company, visit our website [www.Product180.com](http://www.Product180.com) or email Steve Rankel directly at [steve.rankel@Product180.com](mailto:steve.rankel@Product180.com).