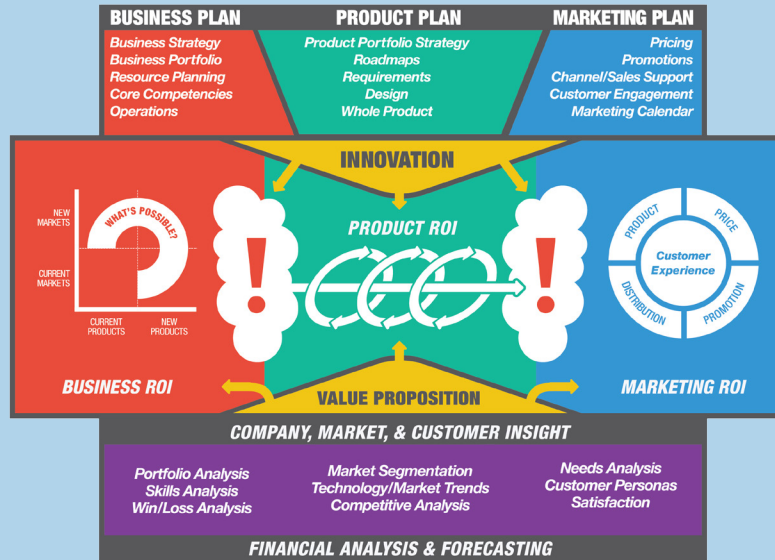




Kingsley Institute  
for Strategy and Innovation



The Kingsley Institute Market Success Model™

# Delivering Market Success One Skill at a Time

Powerful skills to systematically define market-leading products and execute optimal marketing mixes

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## **The Goals for the Kingsley Market Success Model™ and this E-book:**

1. *To provide a comprehensive view of the key elements required to strategically manage a portfolio of products and services as well as new product and market initiatives.*
2. *To augment traditional phased NPD processes and their associated challenged strategic planning elements with a more integrated and agile approach.*
3. *To share insight into the skills, roles and responsibilities necessary for market success via a more integrated approach to managing the triad of market, product and customer life cycles.*

## Letter from the Author



Dorian Simpson - Author  
Managing Director  
Kingsley Institute

### **NPD Must Evolve Beyond Traditional Practices**

*I've spent my career in product development. First as an engineer and gradually to an executive, entrepreneur and consultant. Strategic planning and new product development (NPD) processes have always been a passion of mine with a desire to make them easier, more efficient, less siloed and more powerful. From my career with IBM, ATT and Motorola, along with consulting engagements with dozens of large and small companies, I've learned a lot of what doesn't work by watching companies execute complicated strategic planning efforts and rigid NPD processes with little to show for their time and energy. I've also seen more nimble companies (both large and small) excel at NPD planning with almost no formal effort. Their success was based on focused day-to-day activities, effective meetings, simple plans, building a culture of learning and making tough decisions at the right time.*

*The good news is that there is a positive trend in NPD thinking today. Agile processes, design thinking and tools such as the Business Model Canvas and Minimum Viable Product (MVP) provide a good foundation for better approaches. However, each individual tool doesn't provide the comprehensive thinking or end-to-end process necessary to consider all of the business factors and integrated strategies that most companies must address.*

*Our goal at the Kingsley Institute is to blend traditional business management tools that are rooted in financial stability with the flexibility and innovative thinking that newer processes give us.*

*If you'd like to have more effective strategic management activities in your organization please read on to learn how our Kingsley Institute Market Success Model and its associated components work together to give you the tools for success.*

# Can Strategic Life Cycle Management Really Lead to Market Success?

## Introduction

*Plan your work and work your plan.* A truism we've all heard many times, but still often ignore. And for good reasons. Many traditional planning activities don't work. Phase-gate processes are horrible at managing innovation and 3-month strategic planning efforts take too long, involve much wasted effort, and the results are often loaded with incremental thinking, poor rationale and plans that few support.

New tools, such as Agile and the Business Model Canvas are good. These isolated tools and methods are valuable, but not sufficient. They must be integrated into a broader product life cycle management system that considers short and long term investment as well as day-to-day tactical decisions. Before moving on, see how you answer the following questions. If you can answer the first set with „no“, and the second set with „yes!“, you're doing better than most.

no?

1. Do you spend a lot of time developing strategic plans that don't drive action throughout the company?
2. Have you adopted „agile,“ and while your development team loves it, no one else understands it or may even be frustrated by it?
3. After reviewing your plans, are you left with a feeling of „Why can't we get more innovative?“

1. Do you conduct dynamic planning that react quickly to changing market conditions and new information?
2. Do your NPD processes easily allow for risky innovations that are unproven or haven't even been discovered yet?
3. Do you plan effectively and efficiently when participation is required (or desired) from large numbers of people?

yes?

In the following sections, we'll address each element of the Kingsley Institute Market Success Model™, why it's important and factors for success. We'll also list the required skills and who in the organization should be responsible for each element using the common „pigs“ and „chickens“ metaphor (pigs commit with their lives, chickens only partially commit.)

# The Market Success Model Sandwich

## What's in this section?

*Since our Market Success Model looks and acts like a sandwich, we will use this metaphor to describe the eight major elements required for ongoing market success grouped into three key ingredients: 1) The Meat, 2) The Bread and critically, 3) The Secret Sauce.*

1. **The Meat** : The primary activities used to manage market, product and customer life cycles from concept to end-of-life:
  - **Portfolio Management** - Activities and tools to focus the necessary resources to grow, maintain or kill every market, product or customer .
  - **Extreme leadership** - The people and forums to make difficult and accurate decisions during chaotic periods.
  - **Rapid Learning Cycles** - The „new” phases of NPD success. Act. Learn. Repeat.
  - **The Marketing Mix** - The sales and marketing strategies and tactics that drive day-to-day decisions in order to hit market and financial goals.
2. **The Bread**: The flexible plans and input that set strategic goals, establish key initiatives, structure thinking, drive collaboration and facilitate communication:
  - **The Plans** - The short and long term business, product and marketing plans that communicate the strategy, roadmaps and target customer experiences to win in the market - from corporate strategy to commercial execution.
  - **The Insight** - The systematic gathering and analysis of company, market and customer data to guide every decision.
3. **The Secret Sauces** - The key elements of differentiation and forward thinking that must be infused throughout life cycle management:
  - **Value Proposition** - The intense focus on identifying and articulating unique customer and market value for every target market.
  - **Innovation** - The culture and tactics to foster new thinking, leverage trends and see opportunities.



*Plans are nothing, planning is everything.*



*Dwight D. Eisenhower*

# Portfolio Management

## The Meat: Portfolio Management

### THE ACTIVITIES TO FOCUS RESOURCES AND OPTIMIZE ROI THROUGHOUT THE LIFE CYCLES

Our model for market success starts with Portfolio Management. For established companies, these activities drive major corporate level decisions such as major market, brand and technology decisions. The business unit level must analyze product portfolios to prioritize projects and optimize R&D resources. And each product line must consider customer portfolios to optimize sales, production and marketing resources. And throughout, for each level, innovative ideas must be nurtured, grown and managed to either live productively in the organization or die well.

### ELEMENTS OF EFFECTIVE PORTFOLIO MANAGEMENT

1. **The Right Approach** - Each level of portfolio must be dissected, analyzed and „managed” - from markets, businesses, brands, products and customers down to ideas.
2. **The Right Tools** - From spreadsheets to enterprise software. It's critical to have relevant portfolio tools and knowing how to use them. The simple „new products, new markets” model on the right is one tool we've found valuable.
3. **The Right Discussions** - Teams and decision-makers must determine how they'll collaborate and make tough portfolio decisions on a consistent basis.



**Portfolio Model**

### SKILLS FOR SUCCESS

1. **Financial Skills** - Having an intuitive understanding of P&L, margins and ROI concepts.
2. **Strategic Skills** - Seeing the factors that lead to market success throughout product and customers life cycles from concept to end-of-life.
3. **Decision-Making skills** - The ability to gather the right input and guide decisions that stick.

### WHO IS RESPONSIBLE?

#### The Pigs:

- The Business Leader
- Product Manager

#### The Chickens:

- Financial analysts
- Everyone else

### What Should Brett Do?

Brett was losing market share in some key product lines. Revenue was still growing, but margins were shrinking. What should Brett do?

1. Invest heavily in marketing to maintain growth?
2. Add new premium products to increase margin?
3. Lower prices to increase market share, but at a lower margin?
4. All of the above?

(Answers below)

# Extreme Leadership

## The Meat: Extreme Leadership

### LEADING STRATEGY, PROJECTS, DECISIONS AND TEAMS DURING CHAOTIC PERIODS

There are two „fuzzy” periods where extreme leadership is required; 1) At the intersection between strategy and product development, and 2) During the transition from product development to market execution. Bad decisions, inaction and chaos during these periods will doom the best of strategies. With all the variables and opinions surrounding these chaotic periods, it takes real leaders to shepherd ideas into products and products into the market.

#### ELEMENTS OF EXTREME LEADERSHIP

1. **Driving the BIG Picture** - Whether it's driving the right product into development or the right marketing mix into the market, someone, in every meeting, must help others understand and drive toward strategic goals.
2. **Executing the Plan** - Staying on plan can be difficult in dynamic environments. A relentless focus on outstanding execution of the right tactics is critical.
3. **Having followers** - Sounds almost silly, but if others don't respect and follow the leader, then there is no leadership.



Extreme Leadership

#### SKILLS FOR SUCCESS

1. **Strategic Project Management Skills** - Not GANTT charts, but the ability to drive the plan, keep teams focused on the right priorities and remove hurdles.
2. **Coaching and Support Skills** - Each individual needs „something.” Leaders determine what that is and help them find it.
3. **Influencing Skills** - The ability to drive decisions and gain support, especially when those decisions threaten powerful adversaries.

#### WHO IS RESPONSIBLE?

##### The Pigs:

- Product Manager/Owner
- Project/Program Manager

##### The Chickens:

- Everyone else

#### What Should Brett Do?

The team was behind. R&D wanted to cut features. Sales needed a BIG new feature. Brett was going crazy keeping people focused. What should Brett do?

1. Tell sales they'll get it when they get it?
2. Give R&D extra resources to finish the product and add the BIG feature?
3. Cut features to hit the schedule?
4. All of the above?

(Answers below)



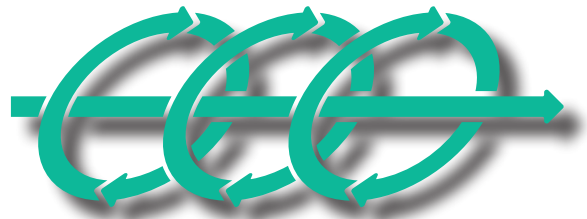
## The Meat: Rapid Learning Cycles

### USING AGILE SKILLS TO HIT CHANGING MARKET TARGETS

You probably understand the frustration with „waterfall” techniques and traditional planning techniques – define a product, pass it to R&D, negotiate and then attempt to get it right as the product nears completion... and then it’s too late. While phased NPD processes can work, it’s usually in spite of them, not because of them. There is a better way - Rapid Learning Cycles leverage the power of customer insight and design flexibility to remove the frustration and get the desired results.

#### ELEMENTS OF RAPID LEARNING CYCLES

1. **A Culture of Learning** - At every junction of product review, whether it’s an agile sprint or investment discussion a key question should always be, „What do we need to learn?”
2. **The Tools to Learn** - Having the insight processes (as described later) in place and ready to apply.
3. **Incremental Investment** - Think like Venture Capitalists about investment. Learn. Invest. Learn. Invest some more.



Rapid Learning Cycles

#### SKILLS FOR SUCCESS

1. **Project Execution Skills** - The ability to rapidly develop short term projects with clear milestones and then execute to perfection.
2. **Applied insight Skills** - Knowing the criteria for moving projects forward and how to gain the insight necessary to assess the next level of investment.
3. **Communication Skills** - The ability to share progress and make solid pitches to justify the next step.

#### WHO IS RESPONSIBLE?

##### The Pigs:

- Product Manager/Owner
- Project/Program Manager
- R&D Leader

##### The Chickens:

- Everyone else

#### What Should Brett Do?

The new product effort Brett was leading was running into trouble. No one believes the forecasts! Marketing loves it, R&D wants to kill it. What should Brett do?

1. Change the forecast to make it look even better? (R&D will come on board)
2. Kill the product now before people learn about the real market demand?
3. Do an extensive market study to validate the forecasts?
4. All of the above?

(Answers below)



# The Meat: A Strategic Marketing Mix

## DEVELOPING A MARKETING MIX WORTHY OF THE STRATEGY

Once a product is ready for market, the development team rests and product marketing and sales takes over. With good fortune you have a killer product, but even then your product will need to fend off fierce competition. Only the right marketing mix backed by superb execution will enable your products to thrive. But getting there requires more skills than ever in today's complex world of digital marketing. This can't be merely a marketing plan, but an attitude of data-driven value optimization.

### ELEMENTS OF A STRATEGIC MARKETING MIX

1. **Great Messaging** - Marketing often comes down to the message. Clear, targeted messaging that matches the strategy is critical. Just Do It.
2. **Great Data** - Opinions are good. Educated opinions are better. Data, when properly gathered and analyzed is gold, especially in today's world of Google/Amazon.
3. **A Holistic Experience** - I don't mean having a Kumbaya moment with customers (unless that's your strategy), but developing a marketing mix that drives the desired position in the market - from first customer experience to customer end of life (which should be forever.)



### SKILLS FOR SUCCESS

1. **Marketing Skills** - The ability to develop data-driven marketing and sales support activities that drive demand.
2. **Communication Skills** - Creating messages for the market as well as being a champion within the company and industry.
3. **Creativity** - At least a spark of the ability to develop unique messages and activities that cut through market noise.

### WHO IS RESPONSIBLE?

#### The Pigs:

- Product/Marketing Manager
- Sales Leaders

#### The Chickens:

- Customer support
- Everyone else

### What Should Brett Do?

Customers loved the company's new consumer product. But it wasn't selling well. What should Brett do?

1. Spend more on marketing?
2. Hire new sales people with better skills?
3. Lower the price to attract more customers?
4. All of the above?

(Answers below)

## The Bread: Critical PLANNING Ingredients

### THE PLANNING OUTCOMES THAT PROVIDE DIRECTION AND FOCUS

Plans are often a bad word in business. However, even in today's fast-paced agile world, companies need targets and guidance to inform all stakeholders about the future as well as to get internal teams on the same page. These aren't 100-page plans with the famous (and typically ignored) SWOT analyses, but light, living documents that get to the heart of what's important.



### ELEMENTS OF AGILE PLANS

1. **Dynamic and Flexible** - Fast to write and update, faster to read and present.
2. **Clear and Motivating** - Everyone understand the strategy? Good. Let's go!
3. **Smothered in Secret Sauce** - Value propositions and infused innovation throughout.

### SKILLS FOR SUCCESS

1. **Strategic, Analytical and Financial Skills** - The ability to synthesize this triad of complexity into a coherent plan.
2. **Tactical Skills** - The ability to build the bridge from conceptual strategy to concrete tactics.
3. **Communication Skills** - The ability to articulate the plan clearly and powerfully.

### WHO IS RESPONSIBLE?

#### The Pigs:

- Business plan - CEO/BU Leader
- Product Plan - Product Manager
- Marketing Plan - Product Marketing Manager

#### The Chickens:

- Everyone else

### What Should Brett Do?

Brett just finished his „amazing” product plan, but he is struggling to get anyone to read it or even get a meeting set up to review it his plan! What should Brett do?

1. Get the boss to force a review meeting?
2. Create a video that „sells” his plan?
3. Execute the plan anyway and others will see its brilliance?
4. All of the above?

(Answers below)

## The Bread: Critical *INSIGHT* Ingredients

Another word for „insight” is „data” and data can range from a customer anecdote to rigorous statistical market studies. Without data, your company is running blind. In today’s world of „big data” and AI, it’s the company that knows what data it needs, knows how to get it and learns how to apply it towards better short and long term decisions will win. Insight must come from three directions: 1) The company, 2) The market and 3) Directly from customers. Missing strength in just one of these will inevitably lead to poor decisions and market failure.



### ELEMENTS OF INSIGHT SUCCESS

1. **Knowledgeable Practitioners** - All levels must understand the need for insight and how to get it.
2. **Investment into Sources of Insight** - From customer panels to market reports. Insight must be considered valuable and strategic.
3. **Analytic Tools** - Data is necessary. Turning it into knowledge and action is critical.

### SKILLS FOR SUCCESS

1. **Data Gathering and Analytics Skills** - The ability to identify and find the right data.
2. **Strategic Skills** - The ability to convert data into market, product and marketing initiatives.
3. **Communication/Influencing Skills** - The ability to synthesize findings so others can support.

### WHO IS RESPONSIBLE?

#### The Pigs:

- Leaders at all levels

#### The Chickens:

- Others (Help!)

### What Should Brett Do?

The Agile team was done grooming the next sprint. But Brett was convinced they were focused on the wrong features! What should Brett do?

1. Tell them to refocus their priorities?!
2. Wait for the upcoming sprint and make sure they listen next time?
3. Conduct focus groups to get customer feedback and then reprioritize?
4. All of the above?

(Answers below)

## Secret Sauce: Innovation Infused Throughout

The need to „innovate or die” is common knowledge. How you do it is not. It is tempting to treat innovation as a parallel or separate set of activities from everyday business operations, But the need to see emerging trends quickly, adapt new technology and solve problems in creative and systematic ways will only accelerate. From minor process improvements to significant new market opportunities, it's the companies that integrate the tools of innovation (ideation, design thinking, opportunity management, etc.) into their day-to-day processes that will win.



### ELEMENTS OF INFUSED INNOVATION

1. **A Culture of Innovation** - The openness to ideas and flexibility to adapt intelligently.
2. **Opportunity Management** - The criteria, leadership, and forums to move opportunities from concept to fruition (or death).
3. **Incremental Resources** - The tools, teams and time necessary to execute opportunities (large and small) that aren't part of the operations plan.

### SKILLS TO SUCCEED

1. **Idea generation & Capture Skills** - The ability to create a systematic approach to foster new thinking.
2. **Leadership Skills** - The ability to shepherd new thinking and overcome corporate antibodies.
3. **Strategic skills** - The ability to analyze market trends and „see” the best path for success.

### WHO IS RESPONSIBLE?

#### The Pigs:

- CEO/BU Leaders
- Product Manager/Owner
- R&D Manager

#### The Chickens:

- Everyone else

### What Should Brett Do?

The competition is killing Brett! They always seem to announce a new product and customers want a response. This must be stopped! What should Brett do?

1. Copy the competition as soon as possible and let customers know?
2. Yell at R&D and make sure they work harder?
3. Stick with their own plan and not worry about the competition so much?
4. All of the above?

(Answers below)

## Secret Sauce: The Value Proposition Essence

While the „value proposition” as our last element, everything starts and ends with understanding how, why, when, what, who and where you, as a company, will deliver value to the customer. Everything else is just the means to this ultimate goal. No value? No revenue. No ability to compete. No profit. No future. Identifying company, product line and product value propositions are the essence of all strategic marketing efforts.

At the front end, strategic thinking starts with value propositions to find gaps and new opportunities in the market.

During R&D, the value proposition must be the guiding light to optimize resources and make critical feature decisions.

A powerful value proposition is at the center of every successful marketing mix. It guides everything from price to communication to service.



### ELEMENTS OF VALUE PROPOSITION SUCCESS

1. **Customer Clarity** - A deep understanding of market segment and the target customer, what they value, how they think, and what will drive their decisions toward you.
2. **Market Position Clarity** - Determining the differentiating value to be unique in the market and how to deliver it.
3. **Value Execution** - Being able to apply the whole marketing mix from messages to customer service to deliver on the value proposition.

### SKILLS FOR SUCCESS

1. **Insight Skills** - Value propositions start with incredible company, market and customer insight.
2. **Analysis Skills** - Markets are crowded! It's imperative to find open territory that customers value and also meets business objectives.
3. **Creativity** - It's easy to identify what customers value, but finding unique value that differentiates you in the market takes new thinking.

### WHO IS RESPONSIBLE?

#### The Pigs:

- Product Manager/Product Marketing Manager

#### The Chickens:

- Everyone else

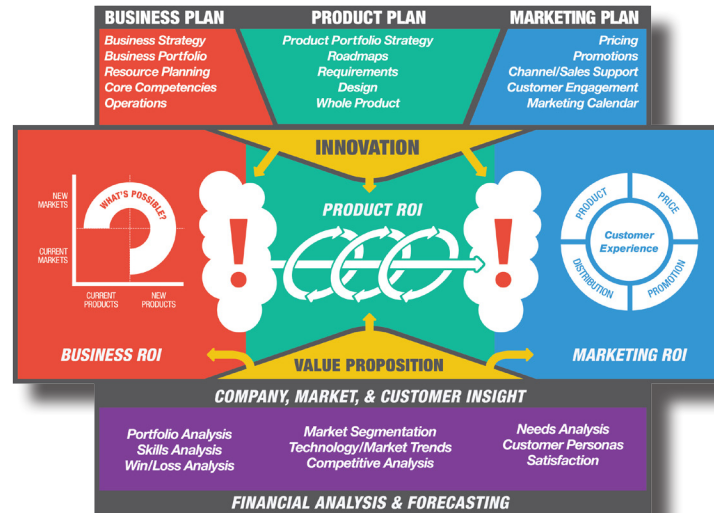
### What Should Brett Do?

It seemed obvious to Brett to target the high-end market with the exciting new features, but customers just weren't willing to pay the higher price. What should Brett do?

1. Lower the price?
2. Find new customers that are willing to pay more?
3. Spend more on marketing to boost the product's brand and appeal?
4. All of the above?

(Answers below)

# Putting it All Together



## What Should Brett Do? The Answers:

As you probably detected, the answer to every situation that Brett encountered was... „It depends.” Successful decisions at every stage of market, product and customer life cycles can never be answered out of context of the insight, the strategy, the whole portfolio and a range of other factors. Leaders in these roles must be able to take a comprehensive view of the situation and make intelligent decisions. This requires the right skills and tools applied in a systematic way. If any of these elements are missing, it creates gaps in strategic thinking that will limit your success in the market.

We know that many elements must come together. To get started, consider some of these guidelines:

1. Start with a clear vision, goals and light plans
2. Focus on key metrics - from big goals to small ones, manage to numbers and objectives
3. Stay agile in thinking and execution - build a culture of rapid learning cycles
4. Require data to overrule opinions, but provide the tools to get the data
5. Establish the right decision-forums and light teams to manage portfolios and projects
6. Help leaders develop extreme leadership skills - especially for those chaotic periods

*With the right support, resources and coaching, these activities and tools will naturally lead to better NPD environments and long term market success.*

## How Can We Help?

**If you've gotten this far, we're assuming you fall into one of the following categories:**

1. You're a life long learner and don't need help. We hope you found this e-book worthy of your time and was able to add something to your knowledge.
2. You're an executive and need your team to be more effective. Contact us to discuss your situation and how we can help.
3. You're a manager and seeking to improve how to be more strategic in your company. Please check out our learning programs or contact us to be notified of upcoming programs and to discuss your needs.

**And of course, you may be all of the above!**

### About Kingsley Institute

We help companies excel throughout market, product and customer life cycles, including:

- Techniques to gain rapid customer and market insight
- Methods to evaluate market trends and identify high-potential opportunities
- Skills to think strategically and build innovation into every plan
- Skills to build powerful product strategics and roadmaps
- Skills to develop compelling go-to-market strategies and tactics
- Methods to manage end-to-end innovation processes
- The range of leadership skills needed to lead product teams

### Our Services Include:

Learning	Projects	Coaching
Build skills from portfolio management to product marketing excellence. All programs are rooted in agile thinking along with infusing value propositions and innovation throughout.	From market analysis to go-to-market strategies, our team can provide skilled resources to help you execute critical projects where you lack resources, expertise or focus.	You need leaders at all levels who have the skills for market success. Let our coaches help you identify high-potential employees and turn them into market success rockstars.

### Contact Us

W: [www.KingsleyInst.com](http://www.KingsleyInst.com)

P: 971-235-4905

E: [Info@KingsleyInst.com](mailto:Info@KingsleyInst.com)