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Frameworks

# Product Management Minute

Change How Customers Perceive Your Software  
Enabled Solution to Create More Profit

Laura Caldie, Carlton  
Nettleton, Jason Tanner  
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# Who are “product people”?



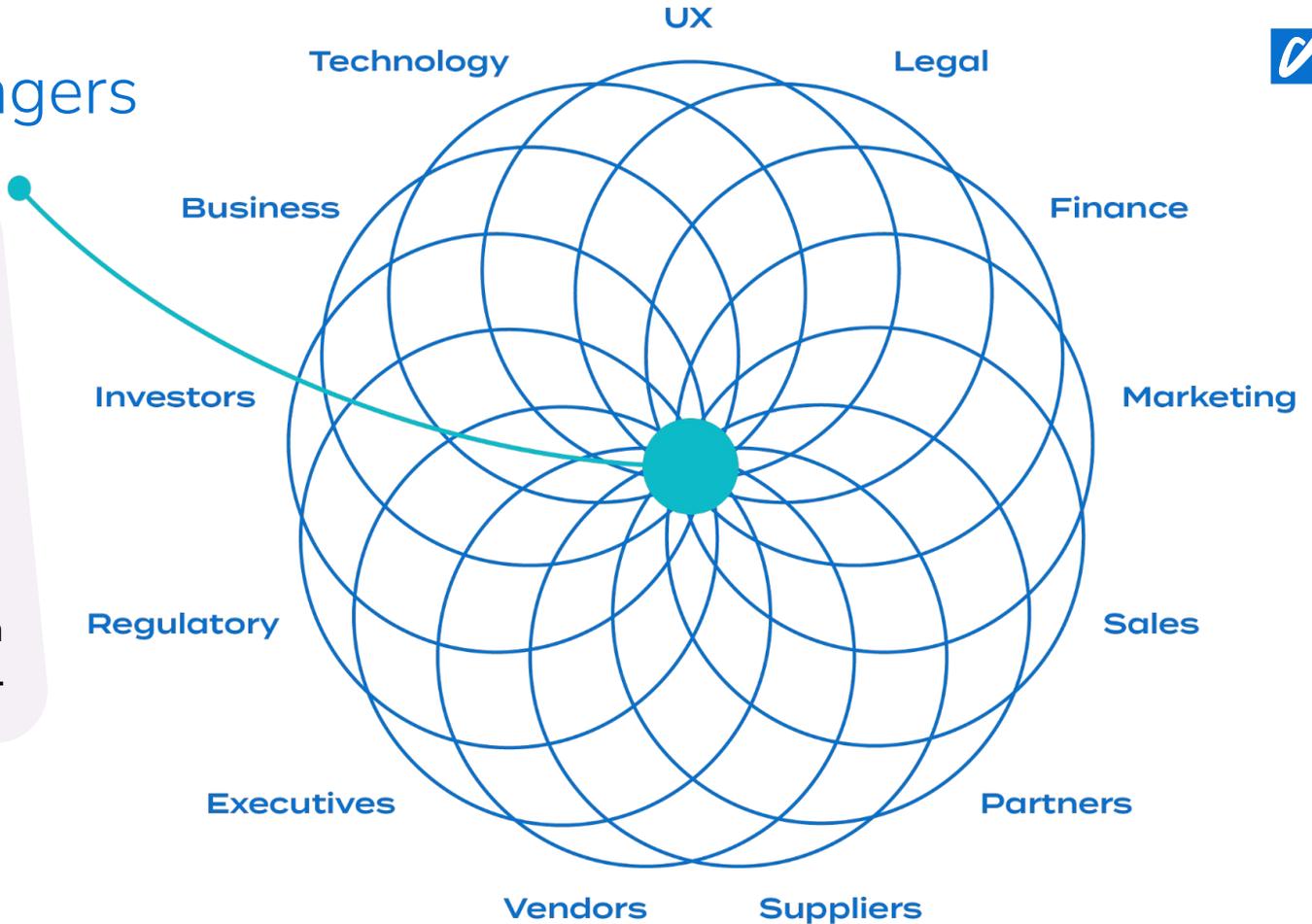
**Product people** choose to be software product leaders because the thrill of building something that is **useful, helpful and challenging** is **magnetic**.

# Product Managers



**PMs** operate in an extremely complicated environment.

Effective collaboration with multiple stakeholders requires a broad knowledge base.



# What is the Profitable Software Academy (PSA)?



Designed for software PMs, the PSA is a multi-week program delivered through a combination of **self-paced learning modules**, **asynchronous instructor coaching** and **live, instructor-led peer groups** that provides the skills needed for PMs over the course of their career.

PSA provides organizational benefits by:

- Upskilling / addressing knowledge gaps
- Aligning on a common lexicon
- Improving ability to deliver profitable software-enabled solutions





Let's get started, ready? **Go!**



# How Customers Perceive Value

# Value Defined



## What is value?



Value is the benefits a customer receives less their total cost of ownership.

**BENEFIT CARD**

Title

Date

<b>Who</b> <i>What segment is receiving the value?</i>	
<b>Dimension</b> <i>What value does the solution provide the customer?</i>	
<b>Magnitude</b> <i>What is the economic impact? How can this potential value be measured?</i> <hr/> <i>How can the economic impact be expressed as a formula?</i>	
<b>Implementation</b> <i>What changes does the customer need to make in order to realize the value?</i>	<input type="checkbox"/> <i>Easy</i> <input type="checkbox"/> <i>Medium</i> <input type="checkbox"/> <i>Hard</i>
<b>Revenue, Cost, or Risk</b>	<input type="checkbox"/> <i>Increase Revenue</i> <input type="checkbox"/> <i>Decrease Cost</i> <input type="checkbox"/> <i>Avoid Risk</i>



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# Solution Benefit Map

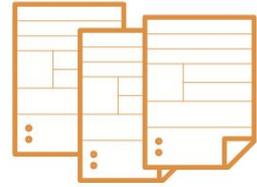
A **Solution Benefit Map** uses the **Customer Benefit Analysis** to organize current and potential future **Features** to best meet the needs of specific customer segments.

A Solution Benefit Map helps:

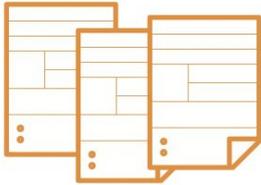
**Define solution packaging that creates  
the greatest value**

**Inform competitive responses**

1 Take your Benefit cards... 

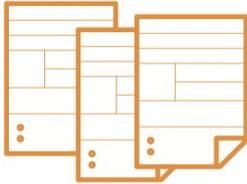


2 And compare them with existing or future features.



**F**

A feature that delivers a benefit.

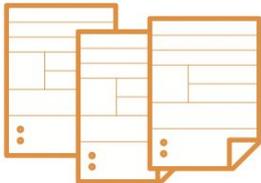


**S**

Your solution does not have a feature that delivers this benefit.

*One is planned*

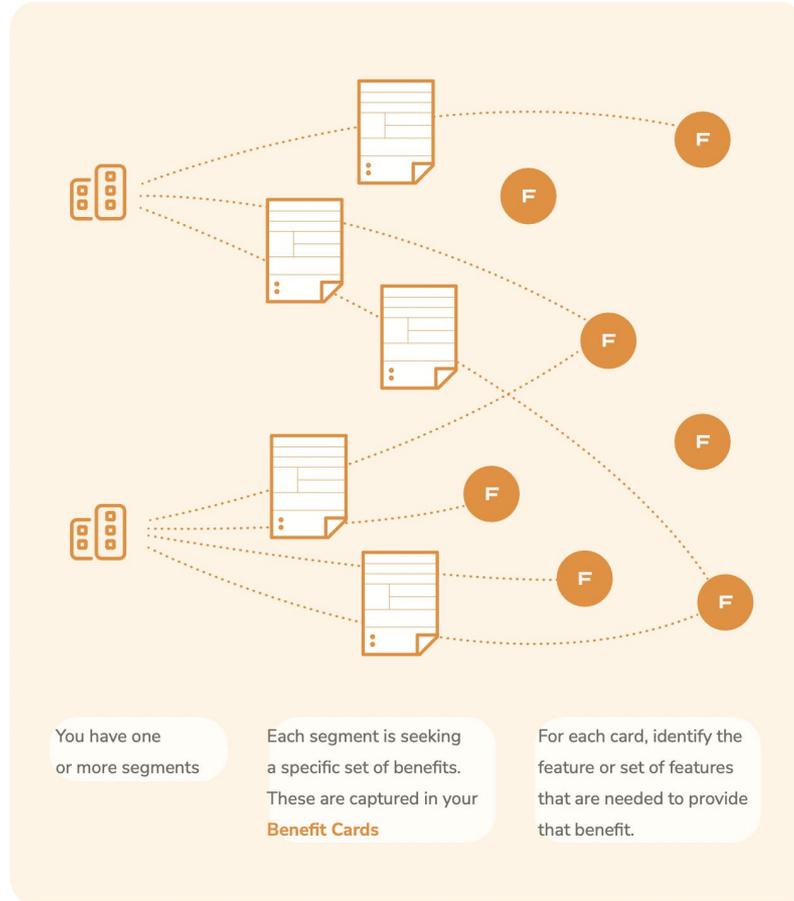
*No feature is planned*



**F**

Your solution has a feature not valued by this segment.  
It could be waste.

## Example of a **Solution Benefit Map**





# Whole Product Framework

## The Whole Product Framework

Originally developed by Theodore Levitt, the whole product framework is a useful tool for organizing the features and expected benefits for each customer segment.<sup>[3]</sup>



**The Generic Product**

The minimum set of features required to be able to satisfy a customer.

**The Expected Product**

The solution that is required to satisfy the customer's minimal purchase conditions.

**The Augmented Product**

Features that go beyond what customers expect that differentiate this specific solution from competitive or alternative solutions.

**The Potential Product**

Everything that might be done to attract and hold customers.

# Solution Benefit Maps and Whole Product Thinking to...

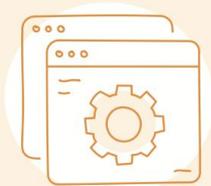
Change how customers perceive solutions and create economic opportunity.



Example:

## Reframe the expected solution by increasing quality:

*Zoom took the expected features of video conferencing and made it an augmented solution by creating a vastly superior offering: the 'plain' feature was remarkably better in Zoom. Zoom added additional expected features such as chat and scheduling to highlight their augmented feature. Finally, Zoom created a novel pricing structure to drive adoption.*



Example:

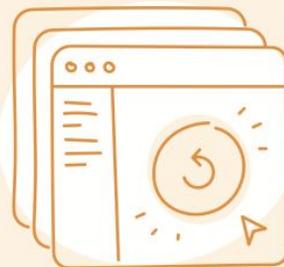
## Neutralize a competitor by offering similar features

*Lyft has successfully neutralized Uber's initial lead, enabling Lyft to emphasize its own unique set of features.*

A **Killer Feature** is a single feature that provides the vast majority of a solution's economic value.



Uber's killer feature included a map and an integrated secure no-cash payment process. Lyft has neutralized this.



Figma's killer feature was design in the browser with integrated version control.



**Questions for Carlton or Jason?  
Ask Now!**

**Questions about PSA?  
Send me an email!**

[laura@appliedframeworks.com](mailto:laura@appliedframeworks.com)



# Next Product Management Minute: Why Does the Industry Lifecycle Matter?

July 28th, 2023 @ 12:30 Central

[laura@appliedframeworks.com](mailto:laura@appliedframeworks.com)

Resources: <https://appliedframeworks.com/blog/>



Register for our  
next Webinar

**Why Arguing about Who Owns Pricing Models is the Wrong Argument!**

Tuesday, July 18, 2023 @ 11 AM ET

**Luke Hohmann**  
SAFE® Fellow  
@ Applied Frameworks

**Melissa Reeve**  
Co-Founder  
@ Agile Marketing Alliance

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**Challenges and Tips for Quantifying Value for Software Enabled Solutions**

**Laura Caldie**  
SVP Sales @ Applied Frameworks

**Jason Tanner**  
CEO @ Applied Frameworks

**Carlton Nettleton**  
SVP Product @ Applied Frameworks

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Listen to the  
recording!

<https://appliedframeworks.com/webinar-challenges-and-tips-for-quantifying-value-for-software-enabled-solutions/>

That's it for now,  
Thank you!



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Thank you for attending!



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