PRODUCT STRATEGY WEBINAR SERIES

Step Away from the RFP

Invest in Product Discovery

ECHO&CO

Presenter

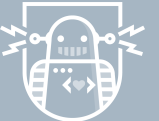**Andy VanderLinde**
Director of Product Strategy

I lead the strategy, development, and management of inclusive products and services at Echo&Co.

I have a masters in International Development — informing my framework for the development of inclusive and participatory product strategy.

I also ride horses.

Overview

Taking First Steps

- **Define product and project goals**
  It is really difficult to step out of your behaviors define your own approach to something (clearly – we spent 213.3 billion dollars in the us on therapy in 2018) – especially if you, like me, refuse to agree that you have a process, but instead have a framework.

- **Determine what you really need**
  These aren't step by step ways of finding what you need, it's a challenge to the assumption that you need an RFP, and why you should challenge it

- **Reevaluate the necessary approach**
  There are activities and guidance at the end to help you start thinking about the product goals

Defining the RFP

You're excited - a bit overwhelmed, you have a new project. You've seen websites you like - and if Jeff Bezos can do it, so can you. It can't cost that much. Jeff already invented the technology, just just a matter of dropping in the features you like to make a patchwork of your needs and updating the colors to match your brand! You decide to throw together an RFP to see who out there can do the stiching.
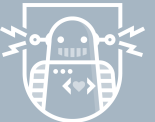
[Notes] Jumping the Gun

KNOWING THE ANSWERS

- **Deciding on the answers before fully understanding the questions**
  When we release an RFP, we've made some critical assumptions that might limit the impact of the project and its success before it has even begun.

- **Don't have all the ideas - missed opportunities to explore other approaches**
  We've defined scope knowing full well the scope will change! And, how we define 'success' will shift and adapt as we learn more

[Notes] Jumping the Gun

KNOWING THE ANSWERS

- **Focusing on implementation over innovation**
  We will fail to leverage the creativity and technical insights that designers and developers (and other teams) can bring to website strategy, relegating them to being technicians/implementers rather than innovators.

- **Organizational goals ≠ leadership goals ≠ team goals ≠ user goals ≠ alignment[4]**
  'The illusion is that the RFPs improve efficiency, when in reality it creates a cumbersome process that actually constraints all parties' ability to make new discoveries and adapt along the way. Tied to a plan, organizations actually cut themselves off from the most important cost-saving strategy of all, continuous learning and innovation.' (Pamela Meyer: *The Agility Shift: Creating Agile and Effective Leaders, Teams, and Organizations*)

Holding On

> **Our opinions are often based on emotion and group affiliation**

It's hard to let go once you:

- **Have fallen in love with an idea** (emotionally invested)

- Defended the decision and reasons for it

- Already have stakeholder buy-in

[Notes] Holding On

You've overvalued your decisions/outcomes; labor leads to love (e.g. the IKEA Effect). People tend to double down on their decisions, and even our own opinions, despite facts

Group affiliation: you don't want to go against the group-accepted approach, especially if they're in more senior leadership roles

Most people would rather deny or downplay new, uncomfortable information than reshape their worldview to accommodate it

Once the decision is made, regardless of the facts of its impact, it is VERY difficult to change

One classic study had subjects look at an array of home gadgets and rate their desirability. After they had made a decision about which one to take home as a gift (say, the fluorescent desk light), their opinion of the item they'd chosen tended to rise, while their opinion of left-behind items soured.

Features drive pricing. What you think you know in the beginning *will* change. See the "Wasted Time" section above.

Don't Kill The Momentum

You have the funds. You have the excitement. Now you're changing the plan.

STAKEHOLDERS

- Convince them it's the right choice

PROJECT OWNERS

- Value the effort they've already given

[Notes] Don't Kill The Momentum

Business goals should align to the BIGGER strategy. The business strategy isn't to build a website - it's the tool to accomplish something else. What is the something else? If we're spending half a million dollars on a website, it's worth the 10% of the budget to define the product strategy!

Document what they've shared in an internally accessible and living document

Positioning You aren't abandoning their ideas, we've validating assumptions!

Saving money (that would be used to develop the rfp) that can be used for discovery, or that extra feature (maybe) But the goal, is to share that we want to be wise and impactful. We want to improve the lives of users and meet internal goals goals.

How do we do that? We include them! We have a conversation (not an email) about the approach and its benefits. We ask for reactions, and we invite them into the process.

The Cost

" **[RFPs] cut companies off from the most important cost-saving strategy of all: continuous learning & innovation**

- **Writing the RFP :** $20,000 to $35,000

- **Project Cost:** $100,000 basic site

- **Negative ROI:** Opportunity Costs, not meeting organizational goals, misalignment between teams

[Notes] The Cost

The cost of writing RFP could be high depending on the size and experience level of the internal team.
By the time the new website sees the light of day, the market opportunities it's designed to address are a year or more out of date.

By responding to your customers' needs and behaviours you build a reputation for authority in your field. People will trust you and turn to your products and services to solve their problems.

ROI may literally be negative; if the site doesn't produce any results, the cost of the site is basically a loss. Website ROI may also be in the tens of millions of dollars, either in direct revenue from e-commerce sites or in the value of leads for a lead generation website.
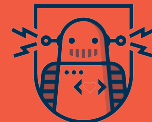
Get in touch with a product agency

A product agency will support you with change management, guiding leaders, taking the onus of discontent, and reduce risk. We're a third party who is invested in your success, not a specific recommendation.

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Laying the Groundwork

Creating a Digital Strategy

" **A system of achievable goals & visions that align the team around business & customer outcomes**

- **VISION:** ultimate organization view

- **CHALLENGE:** stepping stones to the vision

- **TARGET CONDITION:** small problems that lead to challenges

- **CURRENT STATE:** where are we now

- **STAKEHOLDERS:** Who is involved?

[Notes] Creating a Digital Strategy

Now that the marketing team is the website owner and in control of the roadmap, they can start connecting the dots between website issues, like page load times and business results, such as a decrease in CTA conversions. Every additional second of page load time cuts the conversion rate by 15%

Does the CEO have a fabulous new idea for the website? Great - Add it to the backlog. Everyone in the organization needs to understand how new features are added to the website and that the new process means ideas are prioritized based on business value and rolled out accordingly

This approach requires some research, data analysis and careful consideration of your core messages, but when it is reflected in your online content and marketing strategy, the result is not only more leads, but better quality leads. Leads recruited in this way are more willing to convert and are more likely to stick with your company, spending more money on progressive orders.

VISION: The vision is your high level, ultimate view of where the company or business line is going.
CHALLENGE: The challenge is the first Business goal you have to

Actors

- **FUNDERS:** Financial supporters of the initiative

- **STAKEHOLDERS:** Leadership and owners

- **PROJECT TEAM:** Product Strategists, Project Managers, Information Architects, UX/UI Designers and Researchers, Developers, etc.

- **USERS:** Internal and external parties who have a stake/interact with your product

Who is at the table

" **If employees are not empowered, the [strategy] will not be successful.**

- **FUNDERS:** Minimally

- **STAKEHOLDERS:** Long term planning

- **PROJECT TEAM:** In *everything*

- **INTERNAL USERS:** Consulting

- **EXTERNAL USERS:** Testing and validating

Product Visioning

DEFINING OBJECTIVES & KEY RESULTS

I will (**objective**) as measured by (this set of **key results**).
- Activity: Sticky Notes and Dots

WRITING USER STORIES

As a **[type of user]** I want to **[do something]** so that I can **[achieve something]**.
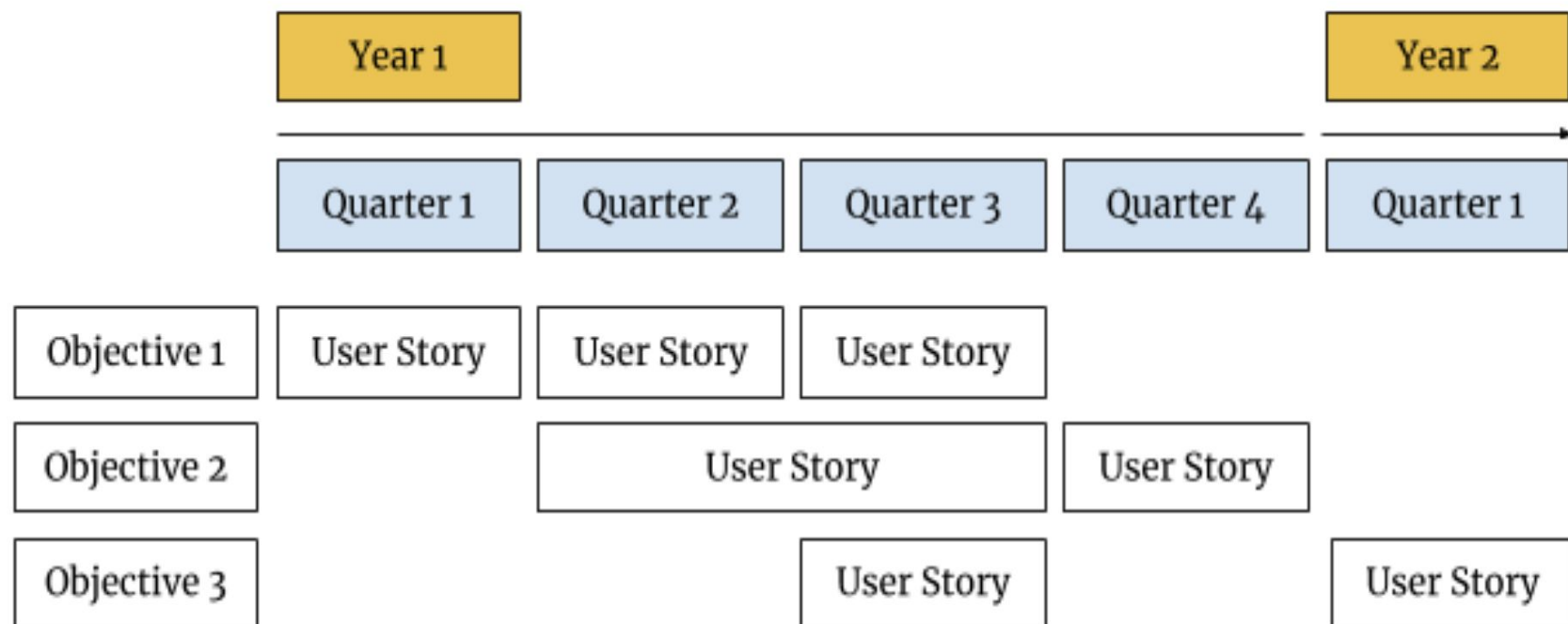
Bringing It Together

ROADMAP

Practical visual summary of the product. It's about balance & buy-in:

- High and low effort user stories

- Resourcing between initiatives

- Deadline requirements

- Stakeholders & conflicting priorities

Example Roadmap

Product Strategy Documentation

LIVING DOCUMENT

A document of big picture context to share and align essential product goals, objectives, and tactics.

- Business Goals
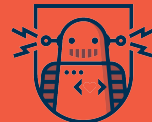
- Market & Needs

- Key Features & Differentiators

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Partner with a product agency

We are experienced in facilitating this process, sessing out nuances, refocusing wants to goals, building buy-in, and documenting approaches. Your heart is in your mission, our hearts are in this work. We'll take on the burden so you can do the work you love.

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Conclusion

> **When the client comes with a self-diagnosis, [we have] a professional obligation to validate that diagnosis**

Invest in your product strategy: It's far reaching within our organization and with your users.

If you must RFP, do a **discovery first**!
- You have to first understand the problem, then create a solution, before implementing and iterating.

What's next?

Contact us

Let's talk about how Echo can support your organization's product strategy

Stay tuned

More webinars and articles are coming. If you have requests for topics,
please send us a note.

info@echo.co

Sources

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