

Blackblot® Product Management

Glossary



BLACKBLOT TERM	BLACKBLOT DEFINITION
Actual Relative Value	The ratio of benefits and costs[customer] the product factually delivers to customers.
Actual Resultant Value	A fixed combination of gains in time, cost, and status the product factually delivers to customers.
Actual Value	The measured and validated worth that the customer or similar customers factually obtain from owning and using the product.
Actual Value (Formula)	Actual Value = Actual Resultant Value + Actual Relative Value
Advertising	Non-personal communication from an identified sponsor using mass media.
Analyst Relations	The bi-directional information exchange with financial analysts and industry analysts to inform and favorably influence them.
BDM Buyer	"Business Decision Maker" buyer. The person with the ultimate decision-making power to purchase a product or not.
Benefits	Product features that are desirable to the customer.
Best Practices	Ways of performing business activities that have proven successful over time, and these practices can be somewhat reliably replicated elsewhere.
Blackblot Product Frames Model	A descriptive model that demonstrates how product functionality is built and how, in total, the product solves the market problem.
Blackblot Product Manager's Toolkit® (PMTK)	PMTK is a comprehensive set of tools and accompanying methodology that illustrates notable best practices and processes that help create successful market-driven products.
Brand	An identity, made of symbols and ideas, which portray a specific offering from a known source.
Business Case	Examination of a potential market opportunity on a product level.
Business Competence	Set of professional skills and knowledge that relate directly to performing product management.
Business Development	Actions that improve the performance of the enterprise, its access to markets, and its ability to compete by creating strategic relationships with logistical, content, and technological partners.
Business Plan	Examination of a potential business opportunity on a company level.
Business Products	Products intended for resale, for use in producing other products, or for providing services in an organization. Business Products are used for making money.
Business Strategy	Decisions that support being a leader, follower, or innovator in a specific line of business.
Business To Business	The transaction of goods or services between businesses (B2B).
Business To Consumer	The transaction of goods or services between businesses and private individuals (B2C).

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Buyer	The entity that decides to obtain the product.
Client	The entity that is the receiver of goods or services.
Company Core Competency	A company's unique ability to deliver value while differentiating itself from the competition.
Competitive Advantage	A depiction that the company or its products are each doing something better than their competition in a way that could benefit the customer.
Competitive Advantage (Formula)	Competitive Advantage = Corporate Quality + Product Quality
Consumer	An individual or household that buys and uses goods and services created by industries.
Consumer Problem	A marketplace situation in which consumer needs remain unsatisfied (B2C). The solution is a whole product.
Consumer Products	Products intended for use by household consumers for non-business purposes. Consumer Products are used for personal gain.
Corporate Branding	The process of building and maintaining a brand at the institutional level.
Corporate Marketing	An outbound activity aimed at generating awareness and differentiation of the company.
Corporate Mission Statement	A formal statement that a company makes about its reason for existing, briefly describing the company's general business direction and depicting the value customers should expect to receive.
Corporate Quality	A state in which the company delivers a relationship more rewarding than customers expected.
Corporate Vision Statement	A message that summarizes the company's purpose and intent and describes how, in the future, its products and activities shall affect the world.
Costs[Customer]	The aggregate expenses incurred by the customer from buying and using the product (essentially Total Cost of Ownership or TCO).
Credibility	The quality of being believable or trustworthy.
Customer	The entity (consumer or company) that takes (financial) responsibility for purchasing the product. Often the realm to which the buyer and user belong.
Customers' Expectations	The hope for deriving benefits from the product and establishing a rewarding relationship with the vendor.
Demand (Economics)	Quantity of a product that will be bought in the market at various prices for a specified period.
Demand (Marketing)	Wants for specific products coupled with an ability to pay for them.

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Demand (Marketing) (Formula)	Demand = Want + Buying Power
Direct Product Bundling	The customer must buy the entire package.
Domain Expertise	Knowledge of the technical and business aspects of the product, industry, market, and technology.
Durability (Product)	How long the product maintains a level of performance without degradation.
Expert User	A user with considerable experience with the product and utilizes many advanced features (power user).
Functional Expertise	Knowledge of processes, tools, and techniques to plan/market products.
Goods	Tangible products we can possess. Segmented into durable and non-durable.
Graphic Arts	The conception and copywriting of all collateral material.
High-tech Company	A business entity that either develops technology that is incorporated in a product or is used in the assembly or manufacturing of a product, or manufactures a product that contains technology, and that same product relies on that technology to perform its core function.
Impact	A positive or negative consequence that will most likely occur when embarking on a product development and delivery project.
Indirect Product Bundling	The customer cannot buy product X without also buying Y in fixed proportions.
Industry	A group of companies that produce and sell a particular product type.
Innovation	The introduction of a product that is new or substantially improved. Innovation is the process of converting and commercializing an invention into a product.
Innovation (Formula)	Innovation = Invention + Utilization
Invention	An idea that represents a revolutionary or evolutionary change. Invention is an idea that improves an existing solution or offers a conceptually new solution to a problem.
Longevity (Product)	How long a product lasts.
Management By Objectives (MBO)	A systematic approach for instilling flow and structure in one's work by setting clear, achievable, measurable, and challenging goals.
Manufacturer	The entity that produces the product or service.
Market Intelligence	An ongoing real-time market data collection and analysis process. Market intelligence builds a body of knowledge.
Market Opportunity	A lucrative, lasting, and sizable market problem.

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Market Opportunity (Formula)	Market opportunity = Market Problem + Volume + Duration + Earning Potential
Market Plan	A description of the long-term goals and messages delivered to the target market relative to a particular company or product.
Market Problem	A "consumer", "product", or "technology" problem in the target market.
Market Requirement	An aggregate unit of information that represents with sufficient detail the functionality that is sought to address a specific facet of a particular market problem.
Market Requirements Document (MRD)	A written representation of the overall functionality users seek to address a particular market problem.
Market Segmentation	A division of the overall market for a product into groups of common characteristics.
Market Strategy	Decisions that define target markets, set marketing objectives, and outline how to build a corporate competitive advantage.
Market-driven	A product delivery strategy based on producing and delivering products that the market needs.
Marketing	An instructive business domain that informs and educates target markets about the value and competitive advantage of a company and its products.
Marketing Communications	The employment of a mix of media vehicles that support marketing objectives.
Marketing Mix	A combination of product, price, place [distribution], and promotion activities that are applied to a particular target market.
Marketing Plan	A description of the selection and application of marketing mixes in the target market.
Marketing Program	A short-term marketplace effort designed to obtain a specific marketing goal.
Marketing Strategy	The decisions that determine how to achieve marketing's goal in a particular target market, through the selection and application of marketing mixes.
Minimum Viable Product (MVP)	Rudimentary product with enough features to satisfy early users and customers and to generate feedback for future product development.
Need	A state of felt deprivation (condition or motivation in which something is sought after to affect a change).
Niche Market	A small overall market or small market segment.
Novice User	A user that is new to the product (newbie).
Overall Market	All customers who share a common need.

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Perceived Value	An unsubstantiated estimation of worth that the customer obtains or could potentially obtain from owning and using the product.
Perceived Value (Formula)	Perceived Value = Resultant Value Proposition + Relative Value Proposition
Personal Competence	A set of individual personality traits which enable individuals to manage themselves independently and capably.
PMTK MVP Model	A market-value centric pricing process that guides sets of managerial decisions that help determine a product's price. The "PMTK MVP Model" comprises three distinct components that effectively act as sequential stages in the pricing process: Pricing Scheme, Pricing Formula, and Price Mix.
Positioning	The customer's unique psychological placement of the relative qualities of a product or company with respect to its competitors.
Problem	A difficulty. A situation that requires change.
Product	Any offering that satisfies needs. Represents a collection of tangible and intangible assets.
Product Attribute	A real characteristic or property of the product.
Product Branding	The process of building and maintaining a brand at the product level.
Product Bundling	An aggregate of products sold collectively at a price lower than the sum of their prices. The price of the set of products is lower than the total of individual products. Bundling is often accomplished in two forms: Direct Bundling and Indirect Bundling.
Product Category or Class(ification)	A term synonymous with "product line" in the context of competing products.
Product Concept	A general description of the proposed product, its functions, and capabilities.
Product Family	A set of derived products that share the same technological foundation. Members of a product family are called "product variants".
Product Feature	A product capability that satisfies a specific user/buyer need.
Product Group	A set of products coupled or packaged together to form a new unified offering. Members of a product group are called "product members".
Product Line	A set of products that are technologically different yet provide similar functionality that serves the same target market needs.

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Product Management	An occupational domain that contains two professional disciplines: product planning and product marketing.
Product Management (Expanded Definition)	An occupational domain that is based on general management techniques that are focused on product planning and product marketing activities.
Product Marketing	Outbound activities aimed at generating product awareness, differentiation, and demand.
Product Mix	An entire set of products offered by a company. Collection of product units, product lines, product families, and product groups.
Product Planning	The ongoing process of identifying and articulating market requirements that define a product's feature set.
Product Portfolio	A product line in which the products are properly diversified and balanced along the timeline and stages of the product life cycle model.
Product Problem	An industry situation in which product requirements are unmet (B2B). The solution is a product component.
Product Quality	The market's perception of the degree to which the product can consistently meet or exceed customers' expectations.
Product Requirements Document (PRD)	A high-level description of the solution, intended use, and the set of features it provides that address the market problem and satisfy needs.
Product Review	An independent inspection, analysis, and evaluation of a product by a trusted industry thought leader (often a journalist).
Product Roadmap	A high-level schedule of future product releases with brief descriptions of market requirements and features for those releases.
Product Strategy	Decisions that build and enhance products to fit market needs, and outline how to build a product competitive advantage.
Product Type	A set of products that serve the same specific target market needs, which are technologically and functionally similar.
Product Unit	An individual product that may be offered separately from any other product.
Product Vision	Description of what the product aims to achieve in the market and the value it intends to deliver to users and customers over time
Productivity (Product)	The product's scope of useful features.

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Product-Market Fit (PMF)	The degree to which a product's core features and benefits align with the specific needs and expectations of a target market, thereby creating the potential for a successful product by ensuring both a meaningful solution and a receptive market.
Professionalism	The characteristic of being a skilled practitioner or an expert.
Project Documents	The basic documents for managing the development project. Includes schedules, project milestone criteria, test plans, development plans, and resources.
Public Relations	The actions that promote and distribute information for a company. Focused on encouraging media coverage of the company and its products and building a virtual relationship between the company and its target audience.
Quality (Marketing)	The market's perception of the degree to which the company or product can consistently meet or exceed customers' expectations.
Quality (Technological)	The highest MTBF (mean time between failures) and lowest MTTR (mean time to repair) of a product.
Relative Value Proposition	An implicit promise a product holds for customers to deliver a desired ratio of benefits and costs[customer].
Reliability (Product)	How long before the product malfunctions.
Reliability (Service)	The company's record of promising and delivering.
Resultant Value Proposition	An implicit promise a product holds for customers to deliver a fixed combination of gains in time, cost, and status.
Risk	A factor or event that may jeopardize the product/project from achieving the anticipated benefits or increase the cost and/or schedule of the product/project.
Risk Contingency	Actions and incurring cost to be used in the future should the risk occur, thereby ceasing to be a risk and becoming a fact (after damage has occurred).
Risk Mitigation	Actions and incurring cost to proactively change exposure to a risk while it is still a risk (before damage occurs).
Sales	The act of interacting with and persuading potential customers to buy the product.
Sales-driven	A product delivery strategy that is based on producing and delivering products that a customer wants.
Scenario	A succession of use cases.
Seller	The entity that sells the product or service.
Services	Intangible products that we pay for and use but can never own.

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Skilled User	A user that is comfortable using the product to perform job tasks (average user).
Social Competence	The set of human interaction skills that relate directly to communicating and managing relationships with others in a professional environment's social structure.
Soft Skills	Non-technical, communicative, and personal abilities used in business.
Solution	An answer that removes or controls the problem.
Stakeholders	All parties (partners, owners, investors, etc.) concerned with the product but are not the focus of product management. Stakeholders do not impact product functionality, design, or strategy.
Strategic Aptitude	The long-term planning and decision-making abilities that help achieve corporate objectives.
Strategy	A coordinated set of long-term decisions that help achieve corporate objectives. Two common goals of any strategy are to: 1) Provide more value than the competition. 2) Help build a sustainable competitive advantage.
Superior Perceived Value	A state where customers perceive the product gives a net value more positive than its alternatives.
Superior Perceived Value (Formula)	Superior Perceived Value = Competitive Advantage + Value
Supply	Quantity of a product that will be offered to the market by suppliers at various prices for a specific period.
Tactical Activities	Assignments, usually self-contained and specific, that fulfill short-term business needs.
Tactics	A set of actions taken to fulfill a strategy.
Target Market(s)	The group or groups of customers selected by a firm to sell to.
TDM Buyer	"Technology Decision Maker" buyer. The person who has the authority to decide what technology will be used by the company to do work or to develop products.
Technical Specification (Tech. Spec.)	A highly detailed description of the solution's design, attributes, and standards.
Technology Problem	Challenges in applied science. The solution is scientific research.
Technology-driven	A product delivery strategy that is based on producing and delivering products that we conceive.
Unique Selling Proposition (USP)	A key "statement" that describes the distinct and compelling value of the product, which sets the product apart from other competing products.
Usability	Ease of operation.
Usage Fee (Licensing)	A charge per unit of measure that is tallied at regular intervals.

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Use Case	A specific way of using the product by performing some part of its functionality.
User	The entity that interacts with the product.
Value	The worth derived by the customer from owning and using the product.
Value (Formula)	$Value = Benefits - Costs[Customer]$
Voice Of The Customer (VOC)	The process for eliciting needs from customers. It embodies a market-driven approach that involves spending time with current and future customers to determine past, present, and future market problems that customers need to solve to meet their business goals and objectives.
Want	A request for specific objects that might satisfy the need.