



Confianzys Consulting Ltd

Differentiating Market vs. Product Requirement document

Product Marketer: I see great potential for a product. But I need to validate the Market opportunity first.



Product Marketer:
Here is the Business
Case.

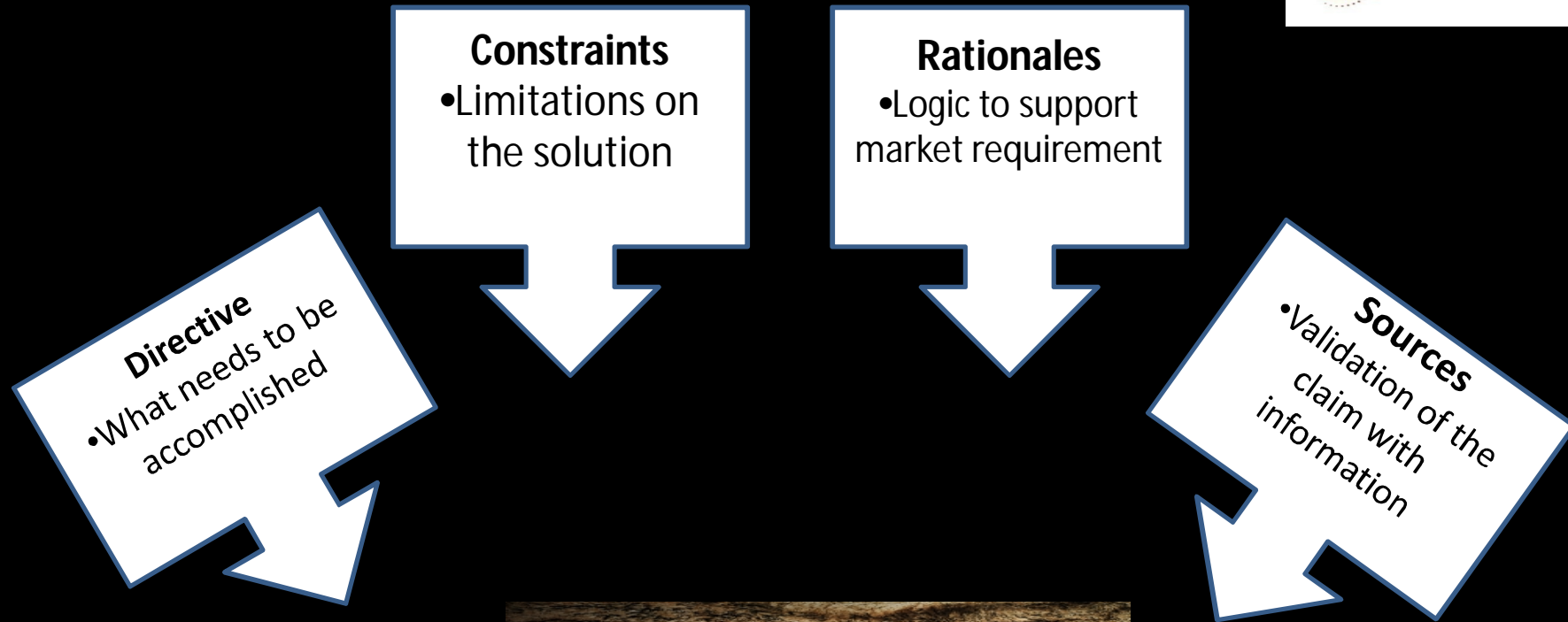
Product Planner: Sure,
thank you. Let me do a
VOC and an MR for this.



Product Planner: I am a
Market expert, I will
articulate the Market
Problems, Opportunities &
Requirements in an MRD



Market Requirement Document is a written representation of the overall functionality that users seek in order to address a “market problem”



Components of an MRD

Sample MRD

Item	Description
Market Problem	Finding the location of stolen cars
Market Opportunity	1B cars * 20% of the market * \$100 per car (+ new cars released each year)
Product Description	Global location tracking service
Target Market	Insurance companies , police, owners, rentals, manufacturers, private recovery services
Benefits to Customer	Reduced loses, competitive advantage, lower costs, customer satisfaction
Personas	Investigator , BDM, actuary, marketing, agent, mechanic, car owner
Use Cases	Investigator: tracks & recovers car Mechanic: installs device Agent: sells the service Marketing: generating demand & awareness Actuary: risk mitigation Owner: reports stolen car
Market Requirement	User must be able to view location of unique car in real-time
▪ Rationales	Recovery is fast, less damage, reduces cost
▪ Constraints	Location with 30 meters, viewable with an internet connection including mobile
Market Requirement	System may provide anti-tampering
▪ Rationales	Prevent thief from disabling the service
▪ Constraints	Can withstand a saw, and a torch
Market Requirement	System may operate on it's own power
▪ Rationales	Car power may be disabled
▪ Constraints	24 hours
Market Requirement	Device may be hidden on car
▪ Rationales	

Field	Description
MR Identifier	INFOEDGE-ESS-ERP-Finance MR001
MR Name	RATIO ANALYSIS
Directive	The directive format is: <i>"Financial Analyst & CFO" shall be able to <shall [(high] be able to <view and analyze Operating Profit Margin (OPM)>."></i> <i>OPM = (Sales Revenue – Operating Costs) / Sales Revenue where Sales Revenue is Recognized revenue and Operating Costs are Procurement + Sales + Employee + Logistics Cost+ Production Cost for all work centers)</i>
Priority	critical functionality
• Rationales	To help continuously track actual profits Ratio also has a significant impact on stock prices Improves bargaining ability to raise working capital from banks Strategic KPI to monitor health of business and is part of Weekly MIS for Executive Management
○ Sources	Considered a best practice globally Interviews conducted with several CFO's in the SME segment in Singapore Standard Accounting Practices (GAAP)
Constraints	Should be possible to calculate on a weekly basis
• Rationales	Management KPI which is reviewed weekly as part of Management dashboard
○ Sources	CFO dialogue
Persona	CFO, Financial Analyst, CEO
Use Case	Derek Sampson is attending a management review and needs to present the key ratios / KPI's which indicate the health of the business
Buying Criterion	YES
Differentiator	YES, Mid-tier ERP's typically struggle to calculate OPM on a weekly basis

Product Architect:
Thanks, I am the Product
Expert. I will document
the features in a PRD

Product Planner: Here is
the MRD



Product Requirement Document is the subsequent document in which the solution product & its features are documented.



Need for:

MRD:

- Market focused product planning requires a clear understanding of Market problems
- MRD is the user view of the market problem

PRD:

- The product architect defines functional solution to the problem defined in MRD
- PRD is the product view of the solution



- Without an MRD & PRD chances of product failure increases
- Benchmarking progress is difficult
- Underestimating Market opportunity & Market share
- Miscalculating Market size
- User & Buyer's perspective are not considered

Queries?

Please direct any queries/ details you may require to
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*Content abridged from The Product Manager's Toolkit from Blackblot™.

References

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