

Case Studies

Datatel Leverages
Market-Driven Methodology
to Build Solutions that
Customers Really Want



For more than two decades, Datatel has focused exclusively on higher education—delivering integrated information management solutions that help colleges and universities streamline their administrative processes and improve service to their constituents. Datatel's innovative technology solutions are specifically designed to help clients save time and money. In recent years, with the higher education marketplace growing increasingly complex, the company recognized the importance of enhancing the capabilities of its own marketing organization to better support the interests of its expanding client base.

Toward that end, Jayne Edge, Vice President of Strategic Planning and Marketing, is sharply focused on leading her team from a tactical, operational perspective to a more strategic role in the company. "When product managers think strategically, when they are freed up from an overload of sales and technical support tasks, they become extremely valuable to the company," she says. "It's easy to get so entrenched in the day-to-day operational

to Datatel. That's an entirely different way of looking at things."

Customer-Centric Approach Drives Satisfaction and Product Uptake

Although there are only a handful of IT companies that serve the higher education market, competition is fierce, especially with higher education budgets continually being cut.

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and product issues of the day that you forget to look up and out," she explains. "If you are simply keeping up with current demand, you are actually falling behind in the long run. Our product managers are now focused on doing the right things at the right time. They are the information brokers, gathering knowledge on the competitive environment, market trends, client needs and requirements, and how we're viewed in the marketplace. They are the market experts. They are sifting through opportunities to find that strategic initiative that will make a dramatic difference

Strategic marketing, messaging, positioning, understanding how to approach the marketplace—those differentiators are building strong competitive advantage for Datatel.

To formulate its strategic approach to marketing and customer service, Datatel turned to Pragmatic Marketing® for training and methodologies. In its product management seminars, Pragmatic offers a blueprint for strategic product marketing that focuses on communicating with target market segments in order to address high-value prospect problems.

According to Liz Murphy, Vice President of Professional Services, "The market is commoditizing software, and service is becoming the distinguishing factor. At Datatel, we take a strong client-centric approach—understanding market needs from the very beginning and only spending time developing things that make sense for our customers. We constantly retool our software and service offerings to be even more aligned to the way a customer thinks. And that is driving our success."

The Pragmatic approach that Datatel has implemented is a powerful contributing factor to client satisfaction. "Our overall satisfaction measures are up 10 percentage points over last year," Murphy explains. "That's not an accident. We are building solutions that people care about, and we are keeping them current. Customers are saying, 'I really feel like you're listening to me.'" Product adoption rates have soared as well. A little more than a year ago, Datatel re-engineered and released a major new version of its flagship product, Colleague, and the company has seen unprecedented market uptake. "More than 97 percent of our clients are now on the current release of that product," says Murphy. "The Gartner Group tells us that there isn't a software firm in the world that can say that. If our product and our migration strategies hadn't been developed with the customer in mind, we would never have

that level of adoption. People want what we are building. That's the bottom line."

Leading the Market by Solving Problems, Not Eliminating Symptoms

Anthony Humphreys is Datatel's Product Manager for Financial Aid and Government Relations. He sees another very clear reason for the company's success with the Pragmatic approach. "Prior to taking the Pragmatic Marketing courses, we were not looking at the real challenges of our customers. We were solving symptoms, not problems. We actually started at the end and said, 'The clients want these ten items fixed. If we do that, it will make everybody happy.' And we found out that doesn't necessarily make prospects happy. It makes current clients happy. While that's a good thing, it doesn't drive new sales or service through the channel," he says.

"With our strategic product management methodology, we're doing a much better job of providing a problem definition before we start building a solution. Our software development organization counts on us to set the strategic direction and vision of the product—to guide the team about what and when to build."



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He continues, "Now the product management organization is spending time where we should—on strategic direction rather than being constantly pulled into sales and tech support. That allows me to focus on where the market is going rather than where it has been. As a result, Datatel is positioned to lead the market, not follow it. The tools Pragmatic has provided enable us to be much more future-focused."

A Pragmatic, Solutions Focus

That focus on the future is now driving Datatel to expand beyond being strictly a technology company to become a solutions provider. As the direction shifts towards delivering strong, innovative professional services



springboard. We are now using those principles to explore how we can broaden our product marketing to a complete solutions

messages are aligned so we can be more successful. One of our key strategic tactics for 2003 is to document a service development methodology, much as there is a product development methodology."

Pragmatic People Make a Difference

"From the ground up, we built our product management organization and job success profiles on the Pragmatic map," Murphy notes. "If you are trying to figure out how to manage a marketing organization, there isn't a clearer, more effective, more precise organizational framework to begin your efforts."

The Datatel team also respects the level of professionalism that the Pragmatic instructors bring to the table. "These are people who have done the job, who

packages that complement the software, the company is applying the Pragmatic methodology to marketing them as well.

"The Pragmatic approach is now ingrained in our culture at every level," says Edge. "Their framework positions us for growth. It's helped us to have that structure on which to build and use as a

view, applying them in the service arena as well. In fact, our product managers are really becoming solution managers."

Murphy adds, "My services team needs to have a better sense of where the market is headed, to be able to fine-tune their listening and probing skills, to understand what it is customers are looking for, to make sure that all of our

know the obstacles," Murphy emphasizes. "We respect their caliber of experience, their approach, their attitude, and the quality of their programming. It's a very clear, modular methodology. You can ramp up for as much as you need at any given time—versus an all or nothing approach. Best of all, the logic of this approach resonates with the entire executive team."

Edge concurs, "Pragmatic Marketing has high standards for quality and best practices. They are professional, personable, knowledgeable, and flexible. It's not just that they have developed some rich materials and are great presenters. They have real-world experience. They have been in the trenches. And they relay those personal experiences in a fun and informative manner as part of their teaching."

"Pragmatic Marketing is the visionary in this field," Humphreys concludes. "No one else is focused on technology product management. Pragmatic came along, and they brought incredibly talented people with a fantastic combination of professionalism, industry knowledge, and humor. Simply put, they deliver expertise in a format that's actually interesting. You just can't go to one of their classes and not come away raving. It's the best money I've ever spent."

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