

# Product Development and Otherness

@jdmaturen, Heavybit Industries, 2016-01-26

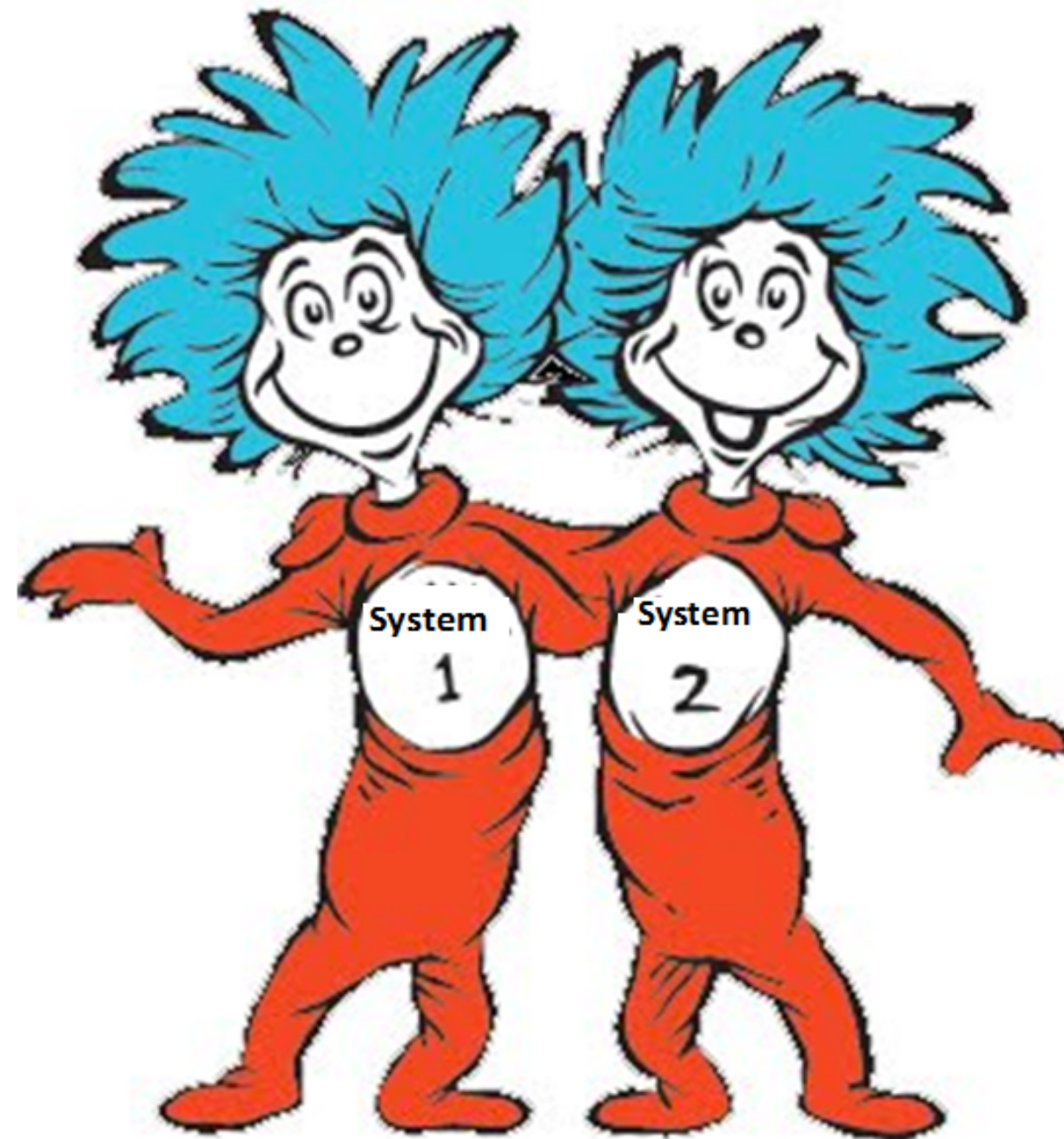
# @jdmaturen

- Photography, glitch art, cooking, philosophy.
- Background in infrastructure. Both at social networks and Enterprise SaaS.
- OODA loop. Observe, Orient, Decide, Act.
- “Every deploy changes a metric.”
- Not a stats expert! Likely not an expert in anything

# ἀνάλυσις: loosen up

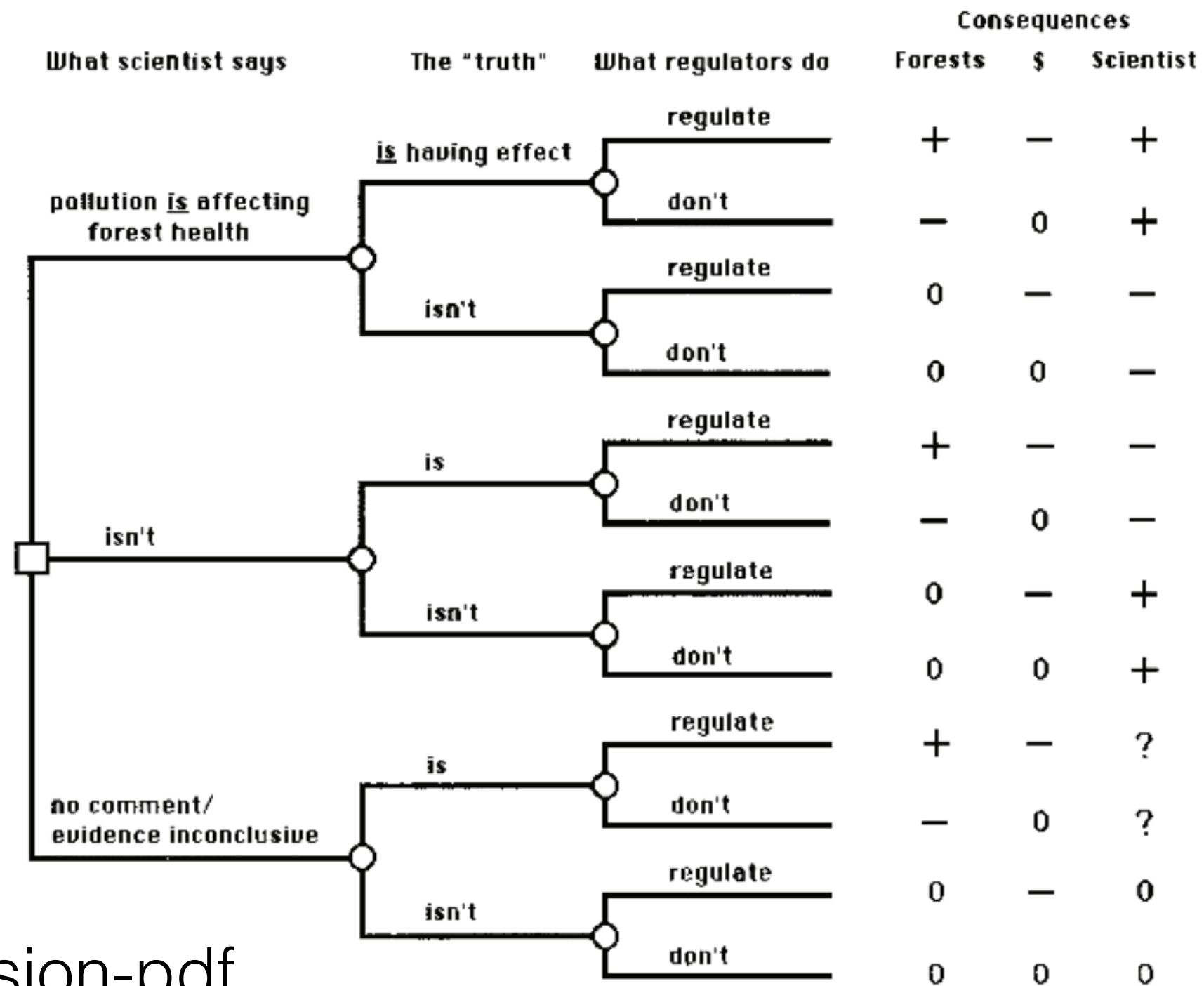
- Step 0: learn Ancient Greek
- ORIGIN late 16th century: via medieval Latin from Greek *analysis*, from *analuein* ‘unloose,’ from *ana-* ‘**up**’ + *luein* ‘**loosen.**’ – Google
- “unloose, release, set free; **to loose a ship from its moorings**” – Online Etymology Dictionary

# Dual Process Theory



[bit.ly/dual-process-theory](http://bit.ly/dual-process-theory)

# Decision Making Theory



[bit.ly/decision-pdf](http://bit.ly/decision-pdf)



move the metrics they were designed to improve. In the paper *Online Experimentation at Microsoft* [2], we shared the statistic that only one third of ideas tested at Microsoft improved the metric(s) they were designed to improve. For domains that are not well understood, the statistics are much worse. In the recently published book *Uncontrolled: The Surprising Payoff of Trial-and-Error for Business, Politics, and Society* [5], Jim Manzi wrote that “Google ran approximately 12,000 randomized experiments in 2009, with [only] about 10 percent of these leading to business changes.” Avinash Kaushik, author of *Web Analytics: An Hour a Day*, wrote in his *Experimentation and Testing* primer [6] that “80% of the time you/we are wrong about what a customer wants.” In *Do It Wrong Quickly* [7 p. 240], Mike Moran wrote that Netflix considers 90% of what they try to be wrong. Regis Hadiaris from Quicken Loans wrote that “in the five years I've been running tests, I'm only about as correct in guessing the results as a major league baseball player is in hitting the ball. That's right - I've been doing this for 5 years, and I can only "guess" the outcome of a test about 33% of the time!” [8].



# Shipping at GitHub

- Back in the day: Build for ourselves, staff ship, get some organic feedback internally, :shipit:.
- Today (one way): work with Research up front to better understand our users qualitatively and quantitatively. Run hands-on pre-release groups to solicit direct customer feedback. Re-run with more groups. (And then run again.) Ship to a portion of customers via feature flipping or a controlled experiment. Incorporate feedback from first experiment and experiment again. :shipit:

# Quantitative Marketing

- Question: can you record everything?
- Customer Lifetime Value (CLV)
- Can't record everything? Recency, Frequency, Money (RFM) modeling retains quite a bit of info
- “Counting Your Customers” the Easy Way: An Alternative to the Pareto/NBD Model’ [bit.ly/clv-rfm](http://bit.ly/clv-rfm)
- Everything on [www.brucehardie.com](http://www.brucehardie.com)



Thank you!