



ISPMA

INTERNATIONAL
SOFTWARE PRODUCT MANAGEMENT
ASSOCIATION

SPM Glossary

Introduction

ISPMA has the goals to foster software product management excellence across industries and to establish software product management as a discipline in both academia and industry. An important element in our approach is a common language for the domain of SPM. Where available, standard definitions from appropriate sources are used. Given the constant evolution of the software product management discipline, standard terms are not always established. With its broad spectrum of members from academia, industries and consulting, ISPMA is ideally positioned to define these additional terms with a consensus-oriented process among its members. The glossary is fully aligned with the current set of ISPMA syllabi that document ISPMA's body of knowledge. Since this body of knowledge continues to evolve over time, the glossary may be changed without prior notice.

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Term	Definition
Brand Awareness	A measure of whether a brand is correctly identified by potential customers. Typically expressed as a percentage of a target market. There are many different approaches to measuring this statistic, but it typically means that a customer can respond to a brand after viewing its logo or packaging.
Business Case	A decision support and planning approach for comparing the costs and benefits associated with a proposed initiative.
Business Model	Description of the rationale of how an organization creates, delivers and captures value by interacting with suppliers, employees, customers and partners.
Business Model Archetype	A basic pattern of doing business. Available archetypes are creator, distributor, lessor and broker.
Category Maturity Life Cycle	A model that describes the rise, duration, and decline of a category of product or service in terms of total revenue or number of users.
Channel	A sequence of intermediaries through which goods and services as well as the compensation are transferred between a company and its customers.
Cloud Computing	Service and delivery model for the provisioning of IT components through the internet based on an architecture that enables a high level of scalability and reliability.
Company Board	The entity of a company which is responsible for the definition and communication of strategy, vision and mission to the rest of the company. Also, it has the managerial supervision of the different departments, including product management.
Competitor	A competitor of company A is another company that sells products and/or services to A's target market (or a subset thereof) which are similar to A's products and/or services.
Constraint	Business, project or design decisions taken in advance to ensure the solution fits business, managerial and contextual concerns. These decisions limit the solution space.
Continuous Delivery	Automated push of software into the production environment or delivery to customers.
Continuous Deployment	Combination of continuous integration and continuous delivery to automatically deliver code changes to customers.
Continuous Integration	Automated integration, build, and test of software in the development environment.
Conversion Rate	Metric for the number of customers who have completed a transaction on a web site divided by the total number of website visitors.

Term	Definition
Copyright	A form of intellectual property right that gives the author of an original work exclusive rights for publishing, distributing and adapting the work.
Corporate Strategy	The basic long-term goals of an enterprise and the courses of action for carrying out these goals.
Cost Per Lead	Metric for the average amount of money invested to acquire a new lead.
Cost Structure	The types and relative proportions of fixed and variable costs connected to a business model.
Customer Segment	A subset of existing and/or potential customers targeted by a common value proposition.
Customer	A party that receives or consumes products and/or services from a second party.
Delivery Model	A description of the mechanisms in which a product is made available to customers. Examples: Licensed product vs. Software-as-a-Service (SaaS).
DevOps	Tight cooperation of Development and Operations with the objective to significantly increase the speed and quality of software deployment.
Embedded Software	Software parts of software-intensive systems that are not marketed and priced as separate entities.
Functional Requirement	A statement that identifies what a product or process must accomplish to produce required behavior and/or results.
Functional Support Plan	Describes the activities, deliverables, budgets, dependencies, and schedules for a business function to members of a cross-functional product team, on behalf of a product.
Innovation Management	The discipline of managing processes related to innovation. Innovation management allows the organization to respond to external or internal opportunities, and use its creative efforts to introduce new ideas, processes or products.
Intellectual Property	Exclusive rights that are granted by law to the owner(s) of intangible assets that result from creations of the mind, such as inventions, literary and artistic works, and symbols, names, and images used in commerce.
Key Performance Indicator (KPI)	A specific numerical measure that represents the progress towards a strategic goal, objective, output, activity, or further input.
Kano Analysis	A technique for understanding which product features will help drive customer satisfaction.
License	A set of rights concerning a licensor's intellectual property which a licensor grants to a licensee.
License Agreement	A legal document that describes a license and the related financial conditions.

Term	Definition
Market	(a) The area of economic activity in which buyers and sellers of goods and services come together, and the forces of supply and demand affect prices. (b) A geographic area of demand for commodities or services. (c) A specified category of potential buyers.
Market Analysis	Analysis of all aspects relevant for a particular market in its current state and over the strategic time frame including market structure, competitors, market shares, customer preferences and behavior.
Market Segmentation	Division of a market into sub-sets called market segments that are distinct from each other, and homogeneous with regard to certain criteria.
Market Share	Percentage of revenue or volume that a particular player makes in a particular market or market segment in relation to the market's total revenue or volume.
Marketing	(a) The activities that are involved in making people aware of a company's products and making sure that the products are available to be bought. (b) The organizational and/or functional unit in an organization that is responsible for (a).
Marketing Communication (MarCom)	Set of marketing activities that concerns executing the marketing strategy to create communication deliverables including advertising, branding, graphic design, promotion, publicity, public relations and more.
Matrix Organization	Organizational structure in which individuals report to more than one person
Minimum Viable Product	The minimum feature set of a new product that is derived through a learning phase and that some customers are willing to pay for in the first release.
Mission Statement	Definition of the present activities or purpose of an organization by saying what it does for whom and how.
Net Promoter Score	Method to measure customer loyalty by asking a single 0-10 scale question: "How likely is it that you would recommend \$BRAND\$ to a friend or colleague?". Your promoter score is the percentage of customers who answer 9 or 10 subtracted by those who answer 0-6.
Non-Functional Requirement	A requirement that pertains to a quality concern that is not covered by functional requirements. Also referred to as -> Quality requirement
Open Source Software	Software that can be freely accessed, used, changed, and shared (in modified or unmodified form) by anyone. Open source software is made by one or more people, and distributed under licenses that comply with the Open Source Definition.

Term	Definition
Partner	A party who joins one or more other parties based on an agreement that defines the terms and conditions of the relationship (partnership).
Patent	A patent is an exclusive intellectual property right for an invention granted to the inventor for a defined timeframe by an authorized body of a sovereign state. The right is granted for the territory of that sovereign state. It is the right to exclude others from making, using, offering for sale, or selling the invention. The types of inventions covered by patent law can be different from state to state.
Performance Management	Continuous tracking and analysis of selected KPIs relevant for business success, plus timely action taking if needed
Pricing	All activities required to set, communicate, and negotiate prices in a convincing way.
Process Improvement	All activities to analyze, plan and execute changes in processes with the goal to optimize the defined process KPIs.
Process Model	An abstract description of one or more processes. A process model typically describes a process as a sequence of activities and the involved roles and responsibilities.
Product	A combination of goods and services, which a supplier/development organization combines in support of its commercial interests to transfer defined rights to a customer.
Product Analysis	Analysis of all business aspects relevant for a particular product in its current state and over the strategic time frame including KPIs like revenue, revenue distribution, footprints, and market shares.
Product Life Cycle	Describes the evolution of a product from its conception to its discontinuance and market withdrawal.
Product Life Cycle Management	The management of the business and technical aspects of a software product with regard to its position in its life cycle.
Product Line	A set of products based on a common platform with defined (static or dynamic) variability tailored to different markets and users.
Product Management	(a) The discipline which governs a product along the product life cycle with the objective to generate the biggest possible value to the business. (b) The organizational and/or functional unit in an organization that is responsible for (a).
Product Manager	A person responsible for -> Product Management in an organization. An organization can have multiple product managers.
Product Marketing	Applying -> Marketing to a -> Product. Translates strategic marketing decisions to the product level.
Product Portfolio	Set of products or services offered by a company.

Term	Definition
Product Portfolio Management	The activity of making decisions about investments in the products included in the product portfolio over the strategic timeframe.
Product Roadmap	A document that provides features or themes of the product releases to come over the strategic timeframe. The creation of a roadmap is influenced by the product strategy designed for this product.
Product Scope	Abstract description of the functional and quality characteristics of the product.
Product Strategy	<p>(a) Combination of the strategic goals and measures for the product, i.e. aspects that need to be defined and managed for the strategic timeframe of the product. See corresponding column in ISPMA's SPM Framework.</p> <p>(b) Consistent documentation containing the following items and their evolution during the strategic timeframe:</p> <ul style="list-style-type: none"> • Product vision • Product definition • Target market, potential segments • Delivery model • Product positioning • Sourcing • Business plan • Roadmap
Product Vision	Conceptual description of what the future product will be at the end of the strategic timeframe, i.e. high-level descriptions of a product concept and a corresponding business model.
Product-Technology Roadmap	Overview of the relationship between product releases (product evolution) and successive technology generations.
Quality Requirement	A requirement that pertains to a quality concern that is not covered by functional requirements. Also referred to as -> Non-functional requirement.
Release	<p>(a) Product release: an instance of the product that is delivered to customers, and maintained as part of product maintenance.</p> <p>(b) Pre-release: a result of development activity that is testable, e.g. the result of a sprint in Scrum.</p>
Release Definition	The result of selecting the requirements to be implemented in the next release. Usually this result is documented including statements about the relationship between the selected requirements and strategic objectives.
Release Planning	The process of selecting the requirements for the next release.

Term	Definition
Requirement	<p>(a) A condition or capability needed to solve a problem or achieve an objective. (b) A condition or capability that must be met or possessed by a system or system component to satisfy a contract, standard, specification, or other formally imposed document.</p> <p>(c) A documented representation of a condition or capability as in definition (a) or (b). Three different types of requirements are distinguished: functional requirements, quality requirements and constraints.</p>
Requirements Engineering	<p>(a) The disciplined and systematic approach (i.e., "engineering") for elicitation, documentation, analysis, agreement, verification, and management of requirements while considering market, technical, and economic goals.</p> <p>(b) Activity within systems engineering and software engineering.</p>
Requirements Management	<p>Planning, executing, monitoring, and controlling any or all of the work associated with requirements elicitation and collaboration, requirements analysis and design, and requirements life cycle management.</p>
Requirements Prioritization	<p>The activity during which the most important requirements for the product are determined. As priorities change over time this activity is often targeted at the next release of the product.</p>
Requirements Triage	<p>An activity for early and fast acceptance/rejection of requirements.</p>
Resource Management	<p>The efficient and effective development of an organization's resources. In the software business resources are primarily people, existing software and systems that the software runs on or is developed on.</p>
Return On Investment	<p>Metric for the average amount of revenue divided by the related cost.</p>
Revenue	<p>Money collected by an organization in return for products and/or services.</p>
Revenue Model	<p>Set of all -> revenue streams of a company.</p>
Revenue Stream	<p>Describes generation of compensation over time for a product, service or company as revenue or in non-monetary ways. Non-monetary aspects may be data or services in return.</p>
Risk Management	<p>The identification, assessment, and prioritization of risks followed by coordinated and economical application of resources to minimize, monitor, and control the probability and/or impact of unfortunate and/or undesired events.</p>
Scenario	<p>Description of a real or imagined situation under a defined set of assumptions.</p>

Term	Definition
Service	(a) Useful labor that does not produce a tangible commodity (as in “professional services”). (b) A provision for maintenance and repair (as in “software maintenance service”). (c) The technical provision of a function through a software component that can be accessed by another software component, often over a network and executed on a remote server (as in “web services” or “Software-as-a-Service”).
Service Level Agreement (SLA)	Agreement between two or more parties about the target values a service-giving party has to achieve for the defined measures that are relevant for quality and cost of the service.
Software Ecosystem	A network of people and/or companies that forms around a software vendor or a product or product platform. The relationships in this network have the goal to achieve benefits for all participants and can be formalized or not. Formalized relationships are called partnerships.
Software Intensive System	A system where a significant part of the value originates from software.
Software Product	A product whose primary component is software.
Software Product Family	A group of software products which for marketing reasons are marketed as belonging together under a common family name.
Software Product Line	A set of software-intensive systems that share a common, managed set of features satisfying the specific needs of a particular market segment or mission, and that are developed from a common set of core assets in a prescribed way.
Software Product Management	The management of a software product or the software components of a software-intensive product over its life cycle with the objective of generating the biggest possible value to the business.
Software Product Management Competence model	Competence model that guides product management in process improvement.
Software Product Manager	Product manager of a software product or the software components of a software-intensive product.
Software Value Map	A decomposition of the "value" concept that details value of a software intensive product from the main areas of financial, customer, internal business process, and innovation and learning perspectives.
Software-As-A-Service (SaaS)	A delivery model for software that is used in cloud computing.
Sourcing	The process of ensuring that all required resources are available when they are needed.
Stakeholder	A person, group, or organization that has direct or indirect stake in an organization because it can affect or be affected by the organization's actions, objectives, and policies.

Term	Definition
Strategic Marketing	The way a firm effectively differentiates itself from its competitors by effectively segmenting the market, selecting the appropriate targets and consistently developing a better value positioning to customers than its competitors.
Target Market	A set of market segments to which a particular product is marketed to.
Trade Secret	Something which has economic value to a business because it is not generally known or easily discoverable by observation such as an algorithm and for which efforts have been made to maintain secrecy.
Trademark	A distinctive identifier, such as a phrase, word or sign, for certain products or services as those produced or provided by a specific person or enterprise. Protection of trademarks depends on local law.
User	A person or thing that uses something i.e. products or services.
User Experience	Every aspect of the users' interactions with a software product or component with the purpose of shaping the user's behaviors, attitudes, and emotions about that product or component.
Value Proposition	Description of the benefits customers can expect from one product, or from the products and services of a company.
Virtual Team	A group of individuals who work together across time, space and organizational boundaries with links strengthened by webs of communication technology.